# Daily Report

# East Europe

FBIS-EEU-88-021
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2 February 1988

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*FBIS-EEU-88-021* *2 February 1988*

CONTENTS

**INTRABLOC AFFAIRS**

Protests Held in Support of Romanian People *[AFP]* ..... 1

**ARMS CONTROL & DISARMAMENT**

CSCE Envoy on Need To Reach Final Document *[ADN]* ..... 2
Romanian Delegate Speaks *[AGERPRES]* ..... 2

**ALBANIA**

Reagan's 'Warmongering' State of Union Speech *[ZERI I POPULLIT 28 Jan]* ..... 3
Egypt's Salih, Lutfi Meet Visiting Delegation *[MENA]* ..... 3
Economic Progress Report for 24-30 January ..... 4
Leaders' Public Appearances 24-30 January ..... 4

**BULGARIA**

Further on BCP National Conference ..... 5
Leaders Attend Opening *[RABOTNICHESKO DELO 29 Jan]* ..... 5
Resolution Adopted ..... 5

**CZECHOSLOVAKIA**

Strougal Dinner Speech for FRG's Kohl *[RUDE PRAVO 27 Jan]* ..... 8
Relations With FRG After Kohl Visit Viewed *[Janto in Bratislava PRAVDA 29 Jan]* ..... 9
Kempny Addresses Regional CPCZ Meeting ..... 10
More Nuclear Plants To Be Constructed *[Vienna KURIER 1 Feb]* ..... 10
Security Corps on 'Antisocial Activities' *[RUDE PRAVO 28 Jan]* ..... 10
Freedom of Religion Guaranteed, Respected ..... 11

**GERMAN DEMOCRATIC REPUBLIC**

1987 Plan Fulfillment Statistics *[NEUES DEUTSCHLAND 23-24 Jan]* ..... 12

**HUNGARY**

Marjai Departs for Moscow CEMA Session ..... 33
Horn Holds Talks With YAR Officials ..... 33
Discussions Held With Moldavia's Kutirkin ..... 33
Banyasz Discusses Economic Problems *[MAGYAR HIRLAP 29 Jan]* ..... 33
Guidelines on Pay for Technical Staff Issued *[NEPSZAVA 29 Jan]* ..... 34
Improving Export Capacities in Economy Needed ..... 35

**POLAND**

Further on Official Price Increases ..... 36
Ministers Discuss Increases ..... 36
World Bank Recommendations ..... 39
National Bank Announces Interest Rate Increases ..... 39
Solidarity on Reaction to Price Increases ..... 39
Spokesman Comments *[DPA]* ..... 39
Cautioned by Officials *[DPA]* ..... 39
Walesa Interviewed *[AFP]* ..... 40

Radio Free Europe 'Unrest' Reports Criticized ..... 40
Demonstrators Arrested at Romanian Embassy *[DPA]* ..... 40
Further on Arrests *[DPA]* ..... 40
Tourism Statistics, Simplified Passport Rules *[TRYBUNA LUDU 28 Jan]* ..... 41
Government Presidium Session 25 Jan *[TRYBUNA LUDU 26 Jan]* ..... 41
26 Jan Politburo Session Communique *[TRYBUNA LUDU 28 Jan]* ..... 43
Industrial Output With Soviets Noted *[Miecik in TRYBUNA LUDU 28 Jan]* ..... 46
Aircraft Agreement Signed With Soviets ..... 46
U.S. Deputy Secretary of State Continues Visit ..... 47
Signs Travel Agreement ..... 47
Meets With Officials ..... 47
Leaders' Public Appearances 20-26 Jan ..... 47

## ROMANIA

Spain Protests 'Congratulations' to Ceausescu *[Madrid]* ..... 48
Use of Private Cars Banned as of 2 Feb ..... 48
Comparison of Address on Ceausescu's Birthday ..... 48

## YUGOSLAVIA

Historian Plenca Cited on Waldheim Case ..... 50
'Difficult Living Conditions' of Romanians *[Jaukovic in BORBA 27 Jan]* ..... 50
Mojsov, Krunic Send Greetings to Ceausescu *[BORBA 26 Jan]* ..... 51
Mamula Ends Official Visit to Ethiopia ..... 51
Returns From Ethiopia ..... 51
Kosovo Polje Discusses Grievances of Serbs *[Tahiri in RILINDJA 27 Jan]* ..... 52
Administrative Organs To Be Reorganized ..... 53
Accomplices in Barrack's Killings Sentenced *[RILINDJA 29 Jan]* ..... 54
Man Sentenced to 6 Years for Terrorism ..... 54
Teachers on Strike in Jablanica ..... 55
Construction Workers Strike in Samobar ..... 55
Briefs ..... 55
Serbian LC Presidium Member ..... 55

## Protests Held in Support of Romanian People

*AU020805 Paris AFP in English*
*2152 GMT 01 Feb 88*

[Text] Budapest, Feb 1 (AFP)—Some 350 Hungarians demonstrated here Monday in support of the people of Romania, where riots erupted in November to protest the government's austerity measures.

An AGENCE FRANCE-PRESSE correspondent said the one-hour demonstration was peaceful, although 20 uniformed policemen intervened to prevent a small group of Hungarian youths from unfurling a banner marked "Down with the dictatorship" (in Romania).

Philosopher Gaspar Miklos Tamas, a member of Romania's two-million strong ethnic Hungarian minority who moved to Hungary several years ago, said, "We want to show our compassion and our solidarity not only with the members of Romania's Hungarian minority but with the entire Romanian people."

Like similar protests in other European cities Monday, the demonstration here was in response to a call by the Czechoslovak human rights organization Charter 77 for a day of solidarity with the Romanian people and protest against the regime of Romanian leader Nicolae Ceausescu.

In Warsaw, about 15 people chanting slogans in support of the banned trade union Solidarity were arrested while demonstrating for the Romanian people.

Among those seen taken into custody near the Romanian Embassy was Zbigniew Bujak, former leader of Poland's underground movement. Organizers of the protest said that as many as 50 people were arrested.

In Prague, seven Charter 77 members or sympathizers were detained for several hours Monday after they tried to hand a petition denouncing Mr. Ceaucescu's regime to the Romanian Embassy, dissidents said.

The petition had been signed by about 60 people who went on a 24-hour "hunger strike" Monday as a sign of solidarity with the Romanian people.

Belgium protested to Romania on Monday after a Romanian newspaper published a fake message from King Baudouin congratulating Mr. Ceausescu on his 70th birthday, officials in Brussels said.

"His Majesty the King has sent no message to the Romanian head of state," a Foreign Ministry statement said.

The protest followed similar complaints from Britain and Sweden.

## CSCE Envoy on Need To Reach Final Document

*LD291745 East Berlin ADN International Service in German 1300 GMT 29 Jan 88*

[Text] Vienna, 29 Jan (ADN)—The readiness of the GDR, together with all other participating states, to help reach a substantive and balanced final document at the Vienna CSCE follow-up meeting was stressed by the head of the GDR delegation, Ambassador Peter Steglich. He said at a plenary session of the meeting today that this document must give fresh impetus to cooperation in all spheres of the all-European process and contribute to an improvement in the political climate in Europe. The Vienna follow-up meeting could keep pace with the positive and encouraging international processes in this manner. One of the most important tasks of the Vienna meeting is to reach specific agreements in the sphere of military security. Such agreements would continue and render irreversible the disarmament process made possible by the Soviet-U.S. accord on intermediate-range missiles.

The GDR delegation chief said that joint efforts must also be aimed at a drastic reduction in armed forces and conventional armaments from the Atlantic to the Urals under the strictest controls, and at reducing and finally eliminating the tactical nuclear missiles remaining in Europe. In this effort, the GDR is also taking into account the important initiative of the six states, which recently appealed for comprehensive disarmament steps in the nuclear and conventional sphere in the "Stockholm declaration."

Ambassador Steglich referred in this connection to the importance and responsibility of the talks taking place in Vienna on the mandate for future negotiations on conventional disarmament. They must also include weapons systems whose structure makes them capable of unleashing a nuclear war. Ambassador Staglich informed the meeting that the shorter-range INF missiles stationed on GDR territory would be removed earlier than planned.

However, the decisive steps in the drafting of a final document have still not been taken at the follow-up meeting, Ambassador Steglich said.

Addressing himself to delegations of some NATO states, he said that the time has come to rid oneself of wishful thinking and maximum demands and instead recognize the possibilities for compromises which are necessary and possible in the interests of cooperation.

## Romanian Delegate Speaks

*AU301915 Bucharest AGERPRES in English 1729 GMT 30 Jan 88*

[Text] Vienna, AGERPRES, 30/1/1988—During the debates on the current stage and prospects of the all-European meeting in Vienna, the Romanian delegation set forth their country's position, the steps taken by President Nicolae Ceausescu for a constructive unfolding of that European forum, for stepped-up efforts toward finding generally acceptable solutions to the problems in debate. Assessing that there are prerequisites and actual possibilities for the elaboration of a substantive and balanced document, the Romanian delegation requested the participants to make endeavours for the harmonization of stands, all while considering the vested interests of all states.

That called for each one's clear undertaking to keep the basic spirit and orientation of the all-European process unaltered as well as the balance struck under the Final Act. To this end, the Romanian delegation underscored the major importance of agreeing upon measures for disarmament and the building of security in Europe, the unhampered development of commercial exchanges, better knowledge and mutual respect among the countries and peoples on this continent. The need was stressed that negotiations should urgently start on conventional disarmament in Europe, in the spirit of the initiative Romania advanced at the beginning of the meeting.

The Romanian delegation brought to the fore the need for all states to strictly apply the new principles of interstate relations as an indispensible condition for the conclusion of the Vienna meeting with positive results. They also made proposals and suggestions for intensified negotiations on the soonest possible editing of the meeting's final act.

## Reagan's 'Warmongering' State of Union Speech

*AU011518 Tirana ZERI I POPULLIT in Albanian 28 Jan 88 p 4*

[Arben Karapici article: "Reagan's Imperial Message to the World"]

[Text] They say that Washington considers Latin America a private fiefdom. This could be expressed better by adding that the White House considers the whole globe a private American fiefdom. Such a mentality and philosophy also pervade the speech on the government program for his last year of office which President Ronald Reagan delivered to the nation and the entire world on 24 January. In its political and ideological thinking, this statement and testament aim to declare to the whole world "the right" of imperialist America to be the sheriff of the planet.

The man who has dominated the American political scene for the last 8 years declared in this speech to the two bodies of Congress the unquenched ambitions of Wall Street to rule and manage the world. "We will maintain sufficient force to ensure dominance," "We will act to preserve our national security." This is the warmongering testament which Reagan is leaving to his successors in future years.

In this speech, transmitted live by the three main television networks, the present head of the American executive branch affirmed an unchanged policy of rearmament, aggression, intrigue, and intervention on the part of Washington everywhere in the world in the name of the "national unity, revival, and renewal" for which he called. Reagan said that the Soviet-American talks in Geneva would under no circumstances affect his beloved "Star Wars" program, which, it goes without saying, will escalate still further in the years to come. The President announced that the so-called reduction of the strategic arsenals of the superpowers "must necessarily be compensated for by other kinds of weapons." He also strongly insisted on "the need to maintain comprehensive aid" for the Somozist bandits in Central America and for "support" as hitherto for the Zionist Israeli state.

In this context, the American President also advanced the idea of "strategic zones," which, according to him, are vital for the security of the United States. These "strategic zones" stretch from Latin America to the Middle East, Africa, and as far as Europe. The "strategic zones" that Reagan talks about are a new version of the infamous American imperialist concept of so-called areas of vital interest. According to the President's imperial logic, every continent is split up into zones tied to the security of the U.S.A. Translated into clearer language, this means that every country and region in the world must hitch itself to the cart of American policy and follow the whims of the White House chiefs. For example, they must increase the number of American military advisers in Central America, submit to the threats and blackmail of American warships in the Persian Gulf, the Mediterranean, and elsewhere, and must accept the deployment of the new nuclear and conventional weapons which will replace the 3% of intermediate- and shorter-range missiles which will be withdrawn from Europe. In a word, other countries must surrender their independence and security to guarantee the security of America.

Ronald Reagan not only called upon other countries to unconditionally accept the American idea of "strategic zones," but also issued threats. He once again dangled the space bogey [gogolin kozmik], as the two superpowers have recently both been increasingly doing. Without the slightest attempt at disguise, he told the world what road the President will follow during those few months that remain to him, and will be followed by the new American Government that will succeed him. This is the criminal road of enforcing American peace and security by means of tanks and airplanes, with new adventures against the freedom and independence of the peoples, and against the sovereign rights of nations and people throughout the world.

At the end of his unrenewable mandate, the head of American imperialism revenges himself on the world once again, just like the sheriffs in the cowboy movies in which he himself acted. This kind of behavior rather resembles an abortive attempt to recoup the major defeats that have been suffered by imperialist America, because the modern world is no longer like the Far West of the 18th and 19th centuries, and cannot be turned into President Reagan's California ranch.

## Egypt's Salih, Lutfi Meet Visiting Delegation

*NC311603 Cairo MENA in Arabic 1450 GMT 31 Jan 88*

[Text] Cairo, 31 Jan (MENA)—The workers of Egypt and Albania have declared their full support for the struggle of the Palestinian people under the leadership of the PLO, their sole legitimate representative.

In a joint communique issued today at the end of a visit by an Albanian trade union delegation led by Sotir Kocallari, the two countries' workers called on Iraq and Iran to immediately halt the war between them and solve their problems by peaceful means.

The communique, which was signed on behalf of Egypt by Ahmad Ahmad al-'Amani, chairman of the General Federation of Labor Unions, underlined the two parties' solidarity with the Arab peoples that are struggling in defense of freedom and independence. The two parties condemned all racist practices by the racist regime in South Africa and declared their support for the Namibia people's struggle.

The communique noted that the two parties agreed to bolster and strengthen the cordial relations between them, to cooperate in fields of mutual interest, and to exchange expertise, information, delegations, and visits.

The Albanian delegation, which left for Athens today, arrived in Cairo on 21 January. This is the first visit to Egypt by an Albanian trade union delegation in 20 years. During the visit, the delegation met with Consultative Council Speaker Dr 'Ali Lutfi and 'Asim 'Abd al-Haq Salih, minister of manpower and training. It also had a series of meetings with leaders of the General Federation of Labor Unions and visited a number of workers' establishments.

## Economic Progress Report for 24-30 January

AU302005 [Editorial Report] Tirana Domestic Service in Albanian in its broadcasts between 24-30 January carries the following economic performance reports (time and date of broadcast in parentheses):

Kolonje District: The overall industrial plan for the period up to 20 January was overfulfilled 1.7% (1900 GMT 27 January);

Lezhe District: The general industrial production plan up to 25 January was overfulfilled 1% (1900 GMT 28 January);

Librazhd District: The overall industrial production plan for the period up to 25 January was overfulfilled 1.5% (1900 GMT 29 January);

Pogradec District: The general industrial output plan up to 20 January was fulfilled (1900 GMT 24 January);

Sarande District: The general industrial production plan up to 20 January was fulfilled (1900 GMT 24 January).

## Leaders' Public Appearances 24-30 January

AU302009 [Editorial Report] Tirana Domestic Service in Albanian in its broadcasts from 24-30 January reports the following public appearances of Albanian leaders (time and date of broadcast in parentheses):

Ramiz Alia, AWP Central Committee first secretary and chairman of the Presidium of the People's Assembly, received a French parliamentary delegation on 26 January. (Tirana Domestic Albanian 1900 GMT 26 January) (filed as AU262002) He also received the Ecuadoran envoy on 30 January. (Tirana Domestic Albanian 1900 GMT 30 January) (filed as AU302003)

Adil Carcani, AWP Central Committee Politburo member and chairman of the Council of Ministers, received the FRG ambassador on 27 January. (Tirana Domestic Albanian 1430 GMT 27 January) (filed as AU271521)

Foto Cami, AWP Central Committee Politburo member and secretary, and Besnik Bekteshi, AWP Central Committee Politburo member and deputy chairman of the Council of Ministers, attended on 28 January a meeting held in Tirana at the conclusion of the "Week of Fresh Talents." (Tirana Domestic Albanian 1900 GMT 28 January)

Prokop Murra, AWP Central Committee Politburo member and minister of people's defense attended a meeting of the Shkoder District People's Council on 24 January. (Tirana Domestic Albanian 1900 GMT 24 January)

Simon Stefani, AWP Central Committee Politburo member and secretary, attended on 25 January a meeting of the Lezhe District People's Council. (Tirana Domestic Albanian 1900 GMT 25 January)

## Further on BCP National Conference

### Leaders Attend Opening

*AU011238 Sofia RABOTNICHESKO DELO in Bulgarian 29 Jan 88 p 1*

[Report by Angel Bonev and Ivan Angelov: "Unity of Thought, Will, and Actions"]

[Excerpt] The delegates and guests take their places in the festively decorated hall of the Lyudmila Zhivkova People's Palace of Culture. It is precisely 9 o'clock. The following comrades enter the hall and are greeted by stormy applause: Todor Zhivkov, Georgi Atanasov, Grisha Filipov, Dobri Dzhurov, Yordan Yotov, Milko Balev, Ognyan Doynov, Pencho Kubadinski, Petur Mladenov, Petur Tanchev, Stanko Todorov, Chudomir Aleksandrov, Andrey Lukanov, Georgi Yordanov, Grigor Stoichkov, Dimitur Stoyanov, Petur Dyulgerov, Stoyan Markov, Nacho Papazov, Vasil Tsanov, Dimitur Stanishev, Emil Khristov, and Stoyan Mikhaylov.

Todor Zhivkov, general secretary of the BCP Central Committee, reported that 3,226 delegates have been elected at the constituent conferences of the oblast party organizations and the accountability-election conference of the Sofia City party organization. Some 30 delegates are absent for justifiable reasons. On the instructions of the BCP Central Committee he declared the BCP National Conference open. [passage omitted]

### Resolution Adopted

*AU011901 Sofia BTA in English 1730 GMT 1 Feb 88*

["Resolution of the BCP National Conference"—BTA headline]

[Text] Sofia, February 1 (BTA)—The BCP National Conference approves and assesses as historically important the July 1987 BCP CC Plenum concept on the further construction of socialism in Bulgaria. The resolution adopted by the conference takes into account the irreversible nature of the restructuring underway in this country and the characteristic features of the present stage. The document adopted by the July plenum is a theoretical, political, organizational and practical basis for the activities of the party and the state and of the millions of working people in the new conditions. The concept, worked out on the principles of Marxism-Leninism, is a scientifically grounded platform of restructuring and it gives a comprehensive idea of its principal goal—innovation and the achievement of a qualitatively new state of the socialist society. It maps out the way and the means in achieving the great national task—the turning of Bulgaria into a highly advanced and civilized socialist state.

The resolution of the BCP National Conference points out that the concept places man and his interests and behavior, his morality and his education in the centre of the revolutionary changes. Man is a goal of the restructuring underway and a factor for its successful implementation.

The July concept is an objective necessity, a timely response to the exhaustion of the possibilities of the former model of socialism in the country. It is an open system, it will be further developed, added to and specified when the conditions change and with the accumulation of knowledge and experience.

Proceeding from the organic link between the programme of the party for building advanced socialism and the concept of the July Plenum of the CC of the BCP, the National Conference considers it necessary to correspondingly revise the programme of the party, to submit it for wide discussions and then put it forward at the 14th Congress of the BCP. The full implementation of the new model of socialism makes it necessary to introduce considerable changes in the Constitution of the country after their thorough and nationwide discussion.

The practical steps which have been made so far on the road to restructuring were subordinated to the principal issue of the concept—the transition from power in the name of the people to power through the people. Our actions have proved the vitality of the strategy of an assertive and stage by stage implementation of restructuring. Bearing this in mind the BCP National Conference considers it necessary for the party bodies and organizations and for all Communists to concentrate their efforts in several principal trends: the turning of society into a self-governing one; the effecting of qualitative turning point in the development of the productive forces; the achievement of new quality in economic relations; the pursuing of an active social policy; the radical restructuring of intellectual life; the improvement of the foreign political and foreign economic relations; and the further establishment of the party as a political vanguard of the people.

Socialist self-government should cover all spheres of society, all nuclei of the social system. It should proceed in dialectical unity with the strengthening of the strategic functions of the state and its bodies which should outgrow red-tape and peremptory methods of managing the economy and the other spheres.

It is necessary for self-government to develop on the basis of active democracy which presupposes a wide introduction of the principle of electivity and rotation of the members of the ruling bodies, the competition of more than one candidate for a given office, the guaranteeing of access to information and wide openness, the introduction of the rule that the leaders give public accounts of the state of the fields for which they are responsible. Self-government should be realized in dialectical unity with single-leadership.

We need a legal system adequate to the principles of self-government, unyielding support of the rights, freedoms and dignity of the citizens, a change in the functions and the powers of the judicial bodies and the non-admittance of interference in their work.

What is basic in respect to the public organizations and movements—the Fatherland Front, the Bulgarian Trade Unions, the Dimitrov Young Communist League, etc—is the actual application of the principle of voluntary membership. All-round assistance should be rendered to the unofficial associations of citizens in the spirit of the principles of socialism.

The second important field of the work of the party is the effecting of a qualitative turning point in the development of the productive forces which will be realized on the basis of the scientific and technological revolution. Here emphasis will be laid on the qualitatively new technological basis, on the optimization of the correlation between mass, serial and single-item production, on giving priority to small and medium-size enterprises, on the technological restructuring of agriculture and on the development of the productive forces in the servicing, social and intellectual sphere, the document stresses. It has been envisaged for the technological base of science to develop faster than that of production.

The national productive forces should develop as an integral part of the world productive forces, especially in regard to the productive forces of the socialist community, and in line with their dynamism. We should constantly compare our achievements to the world ones and we should no longer use "our own" unjustified standard.

The resolution also dwells on questions of the integration with the other social states and above all with the Soviet Union. The necessary efforts will be made for the concrete problems in this field for the self-managing production and scientific organizations to solve these problems mainly on an economic basis by the end of the Ninth Five-year Period (1986-1990). Emphasis will be laid on the wide transition to direct contacts between the organizations and on the establishment of joint enterprises and corporations.

Another priority issue is the qualitative restructuring of economic relations and the giving of full scope to the energies of society. This will be achieved on the basis of the promotion and adding to the relations of ownership. Normative acts will guarantee the unity and multiformity of the forms of ownership. The transference of socialist property to the work teams for management and administration is a key issue in the qualitative restructuring of the economic relations. It is necessary to develop a new approach in assessing labour performance, to decisively improve the organization of labour remuneration, to do away with levelling in labour remuneration and to introduce a new approach to prices and price-formation which would gradually eliminate the disproportions which have been accumulated in this field.

The resolution points out that economic, legal and other means should be used to create conditions for socialist competition in the economy. Bidding will emerge as one of the forms of competition: bidding for government contracts, for research and development, for credits, for capital investment, for personnel recruitment, etc.

The achievement of a new quality of life by overcoming the disproportions between the production of means of production and the production of means of consumption is crucial target of social policy. The social security of all members of society is guaranteed by ensuring the minimum of subsistence for the lower-income brackets.

The growing social significance of ecological problems requires a new ecological policy. The problems of ecology are considered in the resolution to be of the same importance as the problems of the technological level and of economic efficiency.

Another key area in party work is the restructuring of culture. The new conditions require a new socio-political consciousness from the people, an uplift based on the objective synthesis of science, culture and education. A decisive objective in this respect is to place the interrelations and the interactions of the extramaterial sphere and the other spheres of life on a new basis. 'Home-made' standards should be resolutely abandoned and replaced by a comparison with the world-class achievements in education, science, culture, and the arts.

All basic principles of restructuring apply to the cultural sphere, too.

The resolution further calls for systematic and active work to consolidate the homogeneous Bulgarian socialist identity of the people, to promote patriotism organically informed with a spirit of socialist internationalism and with an assertion of universal human values.

As a priority area, Bulgaria's foreign political and foreign economic relations should help create a qualitatively new condition of socialism in the country. A qualitatively new level should be achieved in the relations between Bulgaria and the Soviet Union on the basis of the identity in principle of the objectives of restructuring in the two countries. The opportunities opened up by the new conditions should be used by the socialist countries to open their doors to each other in all fields.

Just as before, Bulgaria attaches special importance to her relations with the Balkan states, among which understanding, goodneighbourliness, and mutual benefit

should prevail. A more active discussion of the proposals to turn the Balkans into a nuclear- and chemical-weapons-free zone as well as of other initiatives, is deemed to be particularly important.

The resolution dwells further on this country's cooperation with the developing and with the advanced capitalist states, on the need to promote equitable and mutually advantageous economic, political and techno-scientific contacts.

The document further examines the contacts of the BCP with the Communist, workers' and other progressive parties and movements, and the questions concerning the establishment and activation of the BCP ties with influential bourgeois democratic, national and other parties.

The resolution of the BCP National Conference contains a section on the assertion of the party as a political vanguard of the people. The BCP is a motor force of restructuring, its initiator, organiser and leader. The party, however, should rationalise the new requirements and introduce radical changes in its relations with all components of the political system. In the style, the forms, and the methods of its work, the party will continue to shape and direct the general policy line of socialist construction. To determine the guidelines of socio-economic development.

It is an important and urgent requirement that the party and its bodies should be freed of the extrinsic functions, that they should not be a "tier" in the hierarchy of state authority. The party and the state bodies can and should be not only partners but also opponents if the occasion should demand.

The BCP National Conference attaches paramount importance to the suggestion of the Bulgarian party leader and head of state that from now on the top offices in the party—from the secretary general of the CC of the BCP down to the secretaries of the primary party organisations—should be held for two consecutive terms at the most or, as an exception, for three terms. The conference recommends that the mandate system principle be incorporated in the amendments to the BCP statute, which will be introduced at the 14th Congress of the BCP.

In the conditions of restructuring, the principal functions of the party bodies and organisations will find expression above all in the creation of a political, moral and ideological climate conducive to the successful implementation of the policy line.

The resolution stresses the need to extend inner party democracy, to raise the efficiency of the primary party organisations, to take measures to improve qualitatively the composition of the party and to get rid uncompromisingly of all those whose actions prove them unworthy of the honour of BCP membership.

The accountability of Communists in positions of responsibility to the party bodies and organisations should be introduced as a regulation and should be strictly observed. The practices of high-handed bossing and holding useless meetings of bureaucracy and pomp, the obsession with plans, programmes, and initiatives for their own sake should be resolutely abandoned. The resolution points out that restructuring may well run into difficulties, above all from the subjective factor. Other problems will arise from the country's limited raw material, feedstock, foreign exchange and other resources. Still, the battle for renewal will be successful because all theoretical and practical prerequisites, all domestic and international conditions are right for this. Bulgaria can and will carry through the restructuring process.

## Strougal Dinner Speech for FRG's Kohl

*AU011326 Prague RUDE PRAVO in Czech 27 Jan 88 p 7*

["Speech" by CSSR Premier Lubomir Strougal at a dinner in honor of FRG Federal Chancellor Helmut Kohl in Prague on 26 January]

[Text] We welcome you in Prague—and you, Mr Federal Chancellor, personally, for the first time ever in Czechoslovakia—at a special, and I would also say, a happy time. The world around us is beginning to adhere to the principles of common sense, and is not only talking about, but also doing something for peace. In Europe—in our common home—awareness of the responsibility and indivisibility of the destinies of all nations that live here has increased. And our fatherland, the CSSR, has made a decision on changes, and is already realizing them, to push through an economic reform and thus accelerate social and economic progress. We are democratizing our social life further, and are opening up policy more broadly not only at home, but also in the direction of our neighbors. For all these and other reasons, our meeting today—actually the first after 15 years at the level of premiers—is important. I would like to express the wish that this meeting becomes a meeting not of great promises, but, above, of deeds; the beginning of an era not of slow, but rapid steps.

Life is such that we cannot choose our neighbors, and that applies, literally, to states too. We have been living side by side for more than 1,000 years, we cooperate, but we also bicker. There have also been years and events which are better left unmentioned, even though they remain a lesson and a warning to us forever. Therefore we would like war, aggression, and the threat of force to become preoccupation for historians only, and disappear from the dictionary of the politicians of tomorrow.

But we also have in our history something to be proud of. The reciprocal influence of ideas and cultures, and this not only between the universities of such famous names as our Charles University in Prague and yours, in Heidelberg, also the oldest one, but also between the renaissance and reformist thinkers. All the arts, especially painting and music, have got on very well together. Our merchants and yours have been meeting in bustling central European markets for centuries. There has been cooperation in industrial and agricultural entrepreneurship, too, for a long time, and the lively contacts were not even broken off at the time of the cold war and other political upheavals. And thus it is actually natural that the FRG is our largest Western trading partner, and will also apparently remain so.

We are well aware of what divides us, of the political and military realities of a world still divided according to social systems. But not even these realities can prevent mutually advantageous cooperation, good neighborly relations, and the establishment of a different political practice including the border regimen in the broadest sense of the word. This is all the more so since our Treaty on Mutual Relations of 1973 and the Joint Declaration of 1978 have created the necessary legal basis and political atmosphere to take this road.

Much has been accomplished in recent years on the level of social and cultural organizations, in relations between parliaments and, finally, also at the governmental level, especially between the Ministries of Foreign Affairs. And now, Mr Federal Chancellor, we have met at last to express the political will to develop dynamic relations in the spirit of the principles of the Helsinki Final Act.

There is no issue which we are too shy to put forward. We talk frankly and pragmatically, but also realistically, without hasty promises, because we too are bothered by problems which we will not be able to get rid of for many years to come. What I have in mind here is, above all, environmental protection, in which we have made a start in the right direction—since last year we even have an accord on cooperation—but the main work in the protection of the skies of our European home still lies ahead of us. I assure you that for us, too, the preservation of life's natural conditions is the highest state priority task.

With your permission I would like to add on this occasion that the times also demand a quite new perception of and, in particular, practice in economic cooperation. Up to now it has been more a case of talking than doing more for new forms of cooperation, for collaboration, for example, in the production of ecology-related equipment, for joint ventures, or licensing—all this to the detriment of mutually advantageous good-neighborliness.

We live in a revolutionary period when peace has already been prevailing for the fifth decade on the Old Continent, when—for the first time in the history of mankind—swords are being melted down, when the hope goes around the world that it is possible in a historically short period to get rid of at least the mass destruction weapons. We know that we are contributing as much as we can to the accomplishment of this goal. Therefore we have been doing all that falls to us from the USSR-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range Missiles, and we will ardently welcome the day when no missiles armed with nuclear warheads remain on our territory.

There is no doubt that the new thinking in international politics is bearing its first fruit. We are proud that the Soviet Union and the other socialist countries have helped to bring this about. But, to tell the truth, there still remains much that has to be done to increase mutual trust and eliminate incorrect notions about the way of life and intentions of nations toward one another, to assert the principle of reasonable adequacy of armed forces on the lowest possible level, and this not only in nuclear and chemical, but also in conventional weapons. We wish that our overloaded planet would come to the conclusion that the militarization of space is superfluous from the military point of view.

We told one another that the issues of war and peace, disarmament, military verification, and the exclusion of the threat of force are not exclusively the affair of the strong and the very strongest, that they are a profound aspiration, but also a question of one's very existence, the chance for the survival of all states and nations, and thus also of the CSSR and the FRG. This was the reason for the letters addressed to you which contained the proposal to establish a zone without chemical weapons and a nuclear-free corridor in central Europe. In our view, it is our duty to take part in the worldwide effort to ban and eliminate mass destruction weapons. Moreover, the realization of similar projects can make our borders secure and stable, despite the fact that our common home has two entrances.

We are creating a new atmosphere in our relations, which pursues the broadest possible horizons of mutual cooperation. Let us try to incorporate in them even partial steps so the possibility of Europe living in lasting peace becomes an irreversible reality, that the coexistence and cooperation in the formerly so troubled part of the continent, which poets call the roof, but also the heart of Europe, becomes an example for others.

Mr Federal Chancellor, ladies and gentlemen, comrades, I toast the development of the comprehensive cooperation between the CSSR and the FRG.

## Relations With FRG After Kohl Visit Viewed

*AU011733 Bratislava PRAVDA in Slovak 29 Jan 88 p 2*

[Jozef Janta commentary in the "We Comment" column: "A Beneficial, Businesslike Dialogue"]

[Text] When FRG Federal Chancellor Helmut Kohl entered the hall of the Intercontinental Hotel in Prague to attend his press conference early in the evening on Wednesday [27 January], his satisfaction with the results of his 2-day official visit to the CSSR was obvious at the very first glance. In fact, he confirmed this during the press conference itself: "My talks with General Secretary M. Jakes, President G. Husak, and Federal Premier L. Strougal were very frank. The foundations of good-neighborly relations between our countries were laid 15 years ago, during the visit to Prague by W. Brandt who was FRG chancellor at the time, and my present visit marks the beginning of new mutual relations."

The Prague deliberations have confirmed that both sides are interested in good-neighborly relations, since these would help consolidate trust between the CSSR and the FRG, but also other states with different social systems. Both the Czechoslovak and the West German side expressed their satisfaction with the signing of an agreement on inland river navigation and with last year's agreement on cooperation in environmental protection, and also with the opportunities that arise in production cooperation, in cooperation on third markets, and so forth. Likewise, their views concur on the development of relations between social organizations, cities, and cultural, scientific, and other institutions of the two countries.

During their talks and negotiations the Czechoslovak representatives and the federal chancellor stressed that mutual economic, ecological, scientific, cultural, and other contacts are strengthening at a time when new thinking (its results lie, for instance, in the Soviet-American agreement signed on the elimination of intermediate- and shorter-range weapons, and in the preparation of an agreement on a 50% reduction of longer-range intercontinental missiles) is striking deep roots in international relations. Chancellor Kohl stressed that this process is also supported by the FRG. In fact, he declared at the press conference that in his talks with U.S. congressmen during his visit to the United States at the beginning of February he would promote the ratification of the agreement on eliminating two classes of nuclear weapons. He also spoke in this spirit about the worldwide ban on chemical arms which, as is known, the United States is striving to torpedo by producing dangerous binary means of combat.

Of course, we do have different or opposed views on several issues of bilateral and multilateral relations. For instance, this applies to the convening of a conference on economic cooperation, to the mandate for the follow-up meeting in Vienna, to the priority given by the FRG to one (humanitarian) sphere of the Final Act of Helsinki, whereas the CSSR attaches equal significance to all three spheres (that is, also to military security and economic cooperation), and, last but not least, to the issue of a corridor free of nuclear and chemical weapons in central Europe. In fact, the FRG Government has rejected the CSSR and GDR Government proposal concerning a corridor free of chemical weapons, saying that one must strive to achieve a worldwide ban on these arms. This aim is undoubtedly also pursued by the socialist countries; however, practice proves that in the present situation both nuclear and chemical disarmament can be reached only gradually. Moreover, the FRG is stressing the Warsaw Pact's alleged supremacy in conventional and tactical nuclear weapons, and NATO wants to ward off this "supremacy" by military augmentation and a rearmament in these spheres—which would certainly not make security in Europe any greater. It can be promoted only by further negotiations on these issues, which would result in a radical reduction of the strengths of armed forces and armaments on the lowest possible level. After all, trust will not be consolidated either by strengthening West German-French military cooperation, or by staging frequent maneuvers in the vicinity of our borders, or by certain politicians supporting revanchist forces in the FRG.

In future these problems must not only be frankly discussed, they must also be gradually, mutually overcome in the interest of further developing bilateral Czechoslovak-West German relations, and (to use a simile) also in the interest of building our common European home. This is particularly important because

the extremely favorable international situation is a significant incentive to initiate new CSSR FRG relations, as Chancellor Kohl has stated. The CSSR and the FRG should thus take pains (this is within their possibilities and within their power) to make the international situation yet more favorable, durable, and stable. Czechoslovakia is prepared to do this, since (as stressed by Milos Jakes, CPCZ Central Committee general secretary) the development of mutual relations between the two countries, which belong to different social systems, is an important contribution to implementing the policy of peaceful coexistence and building a common European home for the present and future generations.

## Kempny Addresses Regional CPCZ Meeting

*LD2821234 Prague Domestic Service in Czech 1730 GMT 28 Jan 88*

[Text] The West Bohemian Regional Committee of the CPCZ discussed in Plzen today the implementation of the conclusions reached by the seventh session of the party's Central Committee. Josef Mevald, chief secretary of the West Bohemian regional party committee, drew attention to a number of problems which are not being tackled with true efficiency. He pointed to shortcomings in the economic mechanism and a loss of militancy by the employees of the management spheres and party officials for achieving the best results.

Josef Kempny, Presidium member of the party's Central Committee and chairman of the Czech National Council, stressed in the discussion that party, state, and economic officials must be judged according to their attitude toward social transformations and how they implement them. As he said, so far, the discussion has brought only a few examples of fruitful attitudes and innovators of socialist initiative. Young people continue to be imprisoned by stereotypes to which they have become accustomed, and see in restructuring only a different methodology, asking for new instructions and commands. Revolutionary construction of new society may be successful not by means of some decree from above, but by true work of the people, Josef Kempny stressed.

## More Nuclear Plants To Be Constructed

*AU0111448 Vienna KURIER in German 1 Feb 88 p 3*

["Exclusive" report by Wolfgang Broer: "A 'Nuclear State' Is Developing in the CSSR"]

[Text] Over the next few years a "nuclear state" in the truest sense of the word will develop north of Austria, in the CSSR. In addition to the two nuclear power plants already in operation (Bohunice and Dukovany) and the two plants under construction (Mochovce and Temelin), another five nuclear power plants are to be built over the next 10-12 years.

This has been gleaned partly from hints in the official media, but now KURIER has received confirmation of this from the Slovak environmentalist movement "Nahlas." The independent movement also comprises members of the Academy of Sciences, who know about these things.

According to this information, the next nuclear power plant to be started, which consists of 4 units of 1,000 megawatts each will be located in Kecerovce (near Kosice) in eastern Slovakia. Other locations have not been exactly fixed, only the regions where nuclear power plants are to be built—in central Bohemia, eastern Bohemia, and northern Moravia.

After the year 2000, the CSSR also plans to build a so-called "fast breeder" reactor.

Social resistance has formed in the CSSR against this accelerated nuclear program—in Slovakia it is the "Nahlas" group, which also takes other aspects into consideration. Its report, which was published as a book last year, was impounded by the authorities. In this book the groups expressed its concern about a nuclear research reactor in Bratislava and about the enormous environmental pollution caused by Bratislava's industry.

In spite of reprisals by the authorities, "Nahlas" continues to exist and work. Thus, the Slovak Communist Party Chief Lenart received a letter from "Nahlas" informing him that 1,400 people—including many prominent cultural and scientific figures—have signed a petition demanding a "public discussion" on environmental problems. In May or June of this year, this independent environmentalist group plans a symposium which it would like to have by Nobel Prize Laureate Konrad Lorenz attended.

This spring "Nahlas" intends to publish a modified version of its impounded brochure—with reactions, experiences, and corrections.

But this modified version will also contain new facts, such as the fact that the state prosecutor's office in Bratislava was not able to fulfill the wish of the Slovak Government to start proceedings against "Nahlas"—because there was no tangible evidence. But one may also expect other information. At the Mochovce nuclear power plant, which is still under construction, a training center has been established, where the future nuclear power plant engineers *are* trained at top modern Japanese computers to react to simulated accidents of any kind.

## Security Corps on 'Antisocial Activities'

*AU0111006 Prague RUDE PRAVO in Czech 28 Jan 88 p 2*

[CTK report: "Improving the Work of the National Security Corps"]

[Text] Prague—The most important task of the CSSR security agencies is to quickly and successfully expose criminal and other antisocial activities. Next to this,

prevention and education are of great importance—in cooperation with other agencies, organizations, and institutions, as well as with the general public. These issues were discussed in Prague on Wednesday [27 January] by the participants in the aktiv of party and service [sluzebni] functionaries of the Federal Ministry of Interior, devoted to the conclusions of the Seventh CPCZ Central Committee Session.

The aktiv was addressed by, among others, Vratislav Vajnar, CSSR interior minister, and Vladimir Blechta, head of a CPCZ Central Committee department. Both speakers stressed the need to improve the work of the National Security Corps [SNB] under the conditions of the restructuring of our society and the further development of socialist democracy.

From the aktiv's deliberations it became obvious that an important objective in the coming period is the reduction of staff in the administrative and management apparatus and the strengthening of direct duty. The elimination of bureaucratic approaches and outdated methods of work, especially as regards providing services for citizens is also involved. This requires more quickly abandoning and overcoming stereotypes in management and the organization of work, raising the ideological and professional standard of the ministry's workers [pracovnici], strengthening discipline and the public conduct of the members of the SNB, and strictly observing socialist legality.

The annual membership meetings of the primary organizations of the Federal Ministry of Interior will be oriented toward the fulfillment of tasks arising from the Seventh CPCZ Central Committee Session.

**Freedom of Religion Guaranteed, Respected**
*LD020943 Prague CTK in English*
*0912 GMT 2 Feb 88*

("Czechoslovak Constitution Guarantees Religious Freedom"—CTK headline]

[Text] Prague Feb 2 (CTK)—Religious freedom in Czechoslovakia is guaranteed by the Constitution and fully respected in practice. Believers and atheists have equal rights, the question of faith and religious feelings is regarded as a personal affair.

No one in Czechoslovakia is forced to mention whether he is a believer or not, a practice existing in many Eastern countries.

In Czechoslovakia, the believers can freely profess their faith and are in no case persecuted for their belonging to one of the 19 churches existing on its territory.

The churches are economically secured by the state which pays salaries to clergymen and other church employees. Clergymen have equal rights as other people, they have the right to sickness benefits, old age pensions and spa treatment free of charge.

The state takes care of a number of churches of historical value. There are more than 8,000 places of worship in Czechoslovakia at present, including churches, chapels, houses of prayer and synagogues. The state spends about 200 million crowns annually on general repairs and maintenance of these buildings as the churches alone would not be able to finance them.

Czechoslovakia has created a wide space also for religious education. Apart from education within families, parents can have their children receive religious education from the second to the seventh year of school attendance under the guidance of representatives of the individual confessions.

At present there are in Czechoslovakia six theological faculties. The state pays for all expenditures, including salaries of the professors and scholarships. The faculties have all conditions for maintaining contacts with similar institutions abroad and Czechoslovak students can broaden their knowledge at theological faculties abroad. At the same time students of theology from European countries, the USA and some Latin American countries study in Czechoslovakia.

A total of 26 magazines are published by the church in Czechoslovakia at present in more than 14 million copies.

## 1987 Plan Fulfillment Statistics

*AU290601 East Berlin NEUES DEUTSCHLAND in German 23-24 Jan 88 pp 3-6*

["Report of the State Central Administration for Statistics on the Implementation of the 1987 National Economic Plan"]

[Text] In 1987 the citizens of the GDR, the workers, cooperative peasants, the members of the intelligentsia, and all other working people accomplished high performances for the benefit of the people and for peace. In a firm relationship of trust between the party and the people, the decisions of the 11th SED Congress for further shaping the developed socialist society in the GDR are being successfully implemented.

In town and countryside the working people made good progress on the main field of struggle, the unity of economic and social policy, which is the core of the economic strategy. The national economy's capacity continued to increase in 1987, as is proved by the growth rates of production and labor productivity. The results were good in industry, agriculture, the construction sector, transportation, and in the other sectors. The total performance of the national economy in 1987 shows a positive balance.

The working people achieved impressive results in the socialist competition led by the trade unions in the struggle for the overall fulfillment and product-specific overfulfillment of the 1987 national economic plan. The working people's active participation according to the principle of "Participate in working, in planning, in governing" is an expression of the broad development of socialist democracy.

In the "11th SED Congress FDJ Assignment" the youth contributed through many initiatives to strengthening the national economy's capacity. In the "Beautify our towns and villages—Join in!" citizens' initiative remarkable results were achieved in 1987 in improving housing conditions and the environment.

The economic strategy of the 11th SED Congress is being successfully implemented. The intensification of the national economy is becoming increasingly comprehensive and receives lasting foundations. To an increasing extent it is possible to use the qualitative factors of economic growth and to link the advantages of socialism better and better with the achievements of the scientific-technological revolution. The development and application of the key technologies is gaining increasing importance.

The stable economic development is based on a reliably working, efficient, and flexible system of socialist planned economy, in which central management is complemented in an excellent way by the creative initiatives from below. In 1987 the introduction of pervasive computer-aided correlated balancing in all production sectors was concluded. It is proven in an increasingly convincing way that in our socialist planned economy the scientific-technological revolution is mastered together with the working people and for their benefit, while preserving full employment and social protection.

On the basis of increasing efficiency and productivity, the unity of economic and social policy bore fruit in 1987 as well. In implementing the housing program—the core of the sociopolitical program—housing conditions improved for another 643,000 citizens in 1987. Stable prices for basic consumer goods, rents, services, and fees are of great importance for the citizens' social protection. The considerable raise in children's allowances paid by the state, which came into effect on 1 May 1987, is another expression of social protection.

The fraternal alliance with the socialist states experienced an overall consolidation and deepening. The fundamental agreements concluded between Comrade Erich Honecker, general secretary of the SED Central Committee, and Comrade Mikhail Gorbachev, general secretary of the CPSU Central Committee, are purposefully implemented—agreements which introduced a new stage of scientific-technological and economic cooperation between the GDR and the USSR. Positive results were achieved in the implementation of important joint projects of the "Long-Term Program of the Development of Cooperation between the GDR and the USSR in the Fields of Science, Technology, and Production Through the Year 2000."

The GDR fulfills the accepted pledges in implementing the "Comprehensive Program of Scientific-Technological Progress of the CEMA Member States Through the Year 2000" with high performances.

The economic tasks to ensure the defense capability and internal security and order were fulfilled.

In implementing the 1987 national economic plan the following main results were achieved (Footnote one) (preliminary data):

—The produced national income was raised by 4 percent to more than M261 billion compared with 1986. This growth was exclusively reached by raising labor productivity and by further intensifying production. Labor productivity in the national economy increased by 4 percent. The reduction of unit input of economically important raw materials and other materials by 3 percent considerably contributed to reducing production input per unit of national income. In the "Return funds to the state—Contribute to national income" initiative the enterprises and combines returned material and financial funds worth M5.9 billion to the State Bank by means of checks.

With 80 percent, industry made the highest contribution to the increase in national income. In the sector of the industry ministries, net production rose by 6.3 percent and labor productivity by 6.6 percent. The once again higher speed of

labor productivity growth compared with net production shows that intensification is made comprehensive and receives lasting foundations. Industrial goods production rose by 3.7 percent. Prime costs per M100 of goods production were reduced by 1 percent.

In the construction sector, net production went up 4.6 percent and labor productivity 5.7 percent. Performance increase in the construction sector was exclusively due to an increase in labor productivity. Building output rose by 2.3 percent. Prime costs per M100 of building production were reduced by 1 percent.

Unit input in transportation of the national economy was reduced by more than 3 percent through further optimizing transportation processes and more widely using economical transportation technologies. High performances were achieved in the transportation sector to fulfill the national economic transportation requirements. With the electrification of 329 km of railroad track, the highest annual performance to date was achieved in 1987.

In agriculture, crop production achieved the highest yield in the GDR's history with 51 decitonnes of grain equivalent units per hectare. With a per-hectare yield of 45.9 decitonnes, the stable grain production of the past 3 years was continued. All positions of the state procurement plan for animal products were overfulfilled.

—In consistent implementation of the economic strategy of the 11th SED Congress, the economic development is increasingly based on the production and application of the key technologies.

The national economy's microelectronic basis was considerably expanded. By putting into service a technological production line for the manufacture of 256-kilobit memory circuits in the Carl Zeiss Jena Combine, the GDR reached the international level with regard to high-standard electronic memory circuits which are used most in line with the current state of technology. By making the transition to generations of circuits and computers with increasing capacity, the Western embargo policy was thwarted.

Compared with 1986, the production of monolithically integrated circuits rose by 55 percent; that of office, personal, and workplace computers by 60 percent; that of memory units for computer technology by 81 percent; that of printers for computers by 57 percent; that of optical fiber cables by 241 percent; that of special technical equipment for the manufacture of active semiconductor component parts by 39 percent; and that of microlithographic equipment by 22 percent. With the start of serial production of 16-bit workplace computers and the introduction into production of higher-capacity personal computers with an 8-bit processing range, the computer basis was expanded. The production of high-capacity 32-bit computers was started.

The working people of the VEB Robotron Electronics, Dresden, honorably fulfilled their pledges and produced 10,000 workplace computers with a 16-bit processing range in excess of the plan.

At the end of 1987, 43,700 CAD/CAM workstations and systems were used, which make a steadily increasing contribution to raising labor productivity and efficiency. The 55 percent growth of soft-ware production made an essential contribution to safeguarding their economic effect.

The number of industrial robots used rose to a total of 78,800.

—The increasing economic results of scientific-technological work determine the growth of performance, efficiency, and productivity in the national economy.

In 1987 a total of 4,791 new products, technologies, and processes were introduced into production.

The degree of production renewal in the sector of the industry ministries amounted to more than 30 percent.

Production of goods with the "Q" quality mark went up 8 percent.

—A total of 92 percent of the application-oriented tasks from the Science and Technology State Plan reached the advanced international level.

The close connection of science and production was further developed. To date 2,908 performance contracts and 291 coordination contracts have been concluded between the combines of industry and the construction sector on the one hand and the GDR Academy of Sciences, universities, and colleges on the other.

—In order to strengthen the material-technical basis of the national economy and to continue the social policy, investments at a value of M75 billion were carried out.

A total of 78 percent of the investments in processing industry were used for the modernization and rationalization of basic assets.

In 1987 160 economically important production facilities were put into service. Investments brought about an increase in industrial goods production amounting to M14.4 billion.

In the sector of the industry ministries, 18 percent more of branch-specific rationalization equipment were produced than in 1986.

—In 1987 the GDR reached an export surplus of 3.3 billion valuta marks in trade with the socialist and nonsocialist countries. The foreign trade turnover

amounted to a total of more than 176 billion valuta marks. With a share of almost 40 percent in the foreign trade turnover, the USSR is the GDR's largest trade partner.

Further sociopolitical progress went hand in hand with the increasing performances in production, as corresponds to the unity of economic and social policy.

In 1987 214,186 apartments were given to the people as a result of implementing the housing program in its unity of new construction, renovation, modernization, and preservation of value.

The new establishment and restructuring of 282,000 workplaces in line with latest insights of scientific organization of labor contributed to improving the working people's working conditions.

Net money income of the population increased by 4.6 percent on the basis of rising performances.

In 1987 performance-oriented wage measures in the form of new bonus payment were introduced for 1.2 million working people.

Real per capita income of the population rose by 4.6 percent.

Compared with 1986, retail trade turnover increased by 3.5 percent, including a rise of 4.1 percent in industrial goods. Services and repairs for the population were increased by 6 percent.

The production enterprises of all sectors supplied 4 percent more final goods for the population than in 1986.

In 1987 the population benefited from increasing allocations from the state budget, including:

M15.8 billion for new construction, renovation, and modernization of apartments, the preservation of the housing stock of all forms of property, as well as the management of state owned and cooperative apartments—this is 10.5 percent more than in 1986;

M49.5 billion to ensure stable prices of basic consumer goods and fees for the population—this is 3.4 percent more than in 1986;

M12.7 billion for education and training of the young generation in the institutions of public education, vocational training, universities, and technical schools, as well as for adult qualification—this is 4.5 percent more than in 1986;

M22.9 billion for high quality and efficient health and social care for the citizens, including the subsidies for social insurance—this is 9.2 percent more than in 1986.

—The worthy shaping of the GDR's capital city of Berlin as a political, economic, scientific, and intellectual-cultural center of the GDR was purposefully continued with the strength of the entire Republic. Berlin's architectural workers with the working people of the construction sector and other sectors of the national economy from all bezirke working at their side, are successfully fulfilling the demanding tasks. In 1987 the new construction and renovation of important cultural and social buildings were finished. These include the Nikolai Church and the Ephraim Palace, the French Cathedral, the Friedrichswerder Church, the Academy of Arts, the Grand Hotel, the Large Zeiss Planetarium, and the first stage of the Berlin Horticultural Exhibition. The first construction stage of the Berlin Main Railroad Station and other renovated transportation facilities were handed over for use. The 20,000 young people in the "Berlin FDJ Initiative" have a great share in the successful implementation of the building tasks.

The celebrations on Berlin's 750th anniversary became an outstanding social event in the life of the GDR, a festival of peace and understanding among peoples. Berlin, the city of peace, proved to be an cosmopolitan venue of meetings, of dialogue, and cooperation, an attractive city for renowned artists and ensembles of international culture.

I. [Roman One] Science and Technology [subhead]

The increasing economic results of scientific-technological work determined the growth in performance and efficiency in all sectors of the national economy. The accelerated introduction and application of the key technologies is of particular importance for the growth of labor productivity and net production.

The "Science and Production in the GDR in the Service of the People" exhibition impressively demonstrated that the combines—in close cooperation with the research institutions of the Academy of Sciences and of the university sector—are keeping pace with the dynamism of the productive forces and that they have reached the top rank in important fields. More than 300,000 citizens visited this attractive exhibition of achievements, which showed 1,300 top achievements in the key technologies.

The Science and Technology State Plan was fulfilled. The advanced international standard was reached by 92 percent of the results introduced into production. In 1987 4,791 new products, technologies, and processes from the Science and Technology State Plan and from the plans of the combines were made effective for production. Production renewal was purposefully continued. The quality and efficiency of production was further raised in the sector of the industry ministries and in the construction sector through newly developed products worth M118 billion and with an increasing

proportion of top achievements. The degree of production renewal in the sector of the industry ministries went up to more than 30 percent.

Through measures of scientific-technological progress, 512 million manhours were saved and were made effective to raise labor productivity.

—As a result of the Schwedt Initiative, 90,000 working people were gained for other economically important tasks by rationalizing the current production processes. In particular they took over tasks to strengthen in-house production of rationalization equipment, to better utilize highly productive machinery and equipment, and to increase consumer goods production. The broad application of insights from scientific organization of labor facilitated the new establishment or restructuring of another 282,000 workplaces, linked with a high productivity increase, while at the same time improving the working people's working and living conditions. Still existing work hardships were fully eliminated or comprehensively reduced for 87,500 working people.

—New products with an improved input-output ratio and technologies with optimum use of material and energy contributed to reducing production input. By utilizing scientific-technological results, unit input of rolled steel was reduced by 480,000 tonnes; that of castings by 49,000 tonnes; that of nonferrous metals by 14,000 tonnes; and that of cement by 347,000 tonnes; unit input of energy was reduced by 14 million tonnes of raw brown coal equivalent.

In order to strengthen the GDR's national economic capacity by means of economical use of the scientific-technological progress, important results were made effective in the accelerated development and comprehensive application of the key technologies, in particular on the basis of the science and technology state assignments:

—In microelectronics the range of domestically produced large-scale integrated circuits was expanded and the supply of memory circuits with a 256-kilobit memory capacity was started. In cooperation of the VEB "Carl von Ossietzky" Electronic Component Parts, Teltow, with the Dresden "Manfred von Ardenne" Research Institute, and the Freiberg Central Institute for Nonferrous Metals of the Mansfeld "Wilhelm Pieck" Eisleben Combine, a "highly productive basic technology for the production of film resistors" was developed. It makes possible to raise labor productivity by 600 percent and to save precious metals. New types of microelectronic components were developed and used for, inter alia, user-specific solutions in communications, engineering, and for consumer goods.

New technologies and highly effective special technical equipment for the use of large-diameter silicon discs created conditions for the further increase of productivity in the manufacture of circuits and the development of new, higher-capacity circuit generations. In addition, new ranges of passive component parts on the basis of sputter and laser technology were supplied for widespread use in surface assembly.

—In the field of computer technology, the start of production of 32-bit computers and the supply of new versions of 8-bit and 16-bit personal computers with higher capacity decisively strengthened the technical basis for rationalization solutions in all areas of the national economy. Through the start of production of new peripheral memory units with higher capacity and the introduction of high-capacity basic software into widespread use, further preconditions for the effective utilization of computer technology were established.

The start of production of the P 8000 universal programming and development system for the automatic programming of microcomputer controls in the Berlin-Treptow Electrical Appliances Works creates conditions for shortening the period of preparation prior to the use of new highly efficient 8- and 16-bit microcomputer controls and for a 50 percent reduction of input in working out user software.

—The number of CAD/CAM work stations and systems used was raised by 19,000. In order to safeguard their economic effectiveness through efficient solutions in computer-aided work—in particular in research and development, construction, design, technological preparation, operational production guidance and control, and in the fields of procurement and sales, transportation, loading, unloading, and in planning and correlated targeting in all areas of the national economy—larger amounts of basic and user software were developed.

—With the introduction of flexible automated manufacturing systems with integrated robot and measuring technology in the Karl-Marx-Stadt "Fritz Heckert" Machine Tool Combine, further reference solutions for the high-productive manufacture of prismatic parts were developed. Compared with conventional manufacturing methods, these machinery systems achieve labor productivity growth rates of more than 500 percent and a reduction of processing time by more than 60 percent.

By starting production of the FMS 500 flexible machinery system and the CW 630 processing center for the processing of smaller and medium dynamically balanced and prismatic parts, of the FMS 2000 and FMS UG flexible manufacturing systems for the automatic processing of large dynamically balanced and prismatic parts, of an automated metal-forming processing cell, microelectronically controlled turning and milling machines, and of a tooth-flank grinding machine with electronic gears, the basis for the introduction of the flexible automated manufacturing technology in mechanical engineering was further expanded. In the textile and clothing industry, manufacturing lines with automatic contour sewing machines and new solutions

to increase the variety of patterns by means of microcomputer controlled knitting machines and looms were made effective in production.

—The introduction of new processing technologies, such as electron beam and laser processing methods for cutting, welding, and heat treatment and of methods to apply coating with mechanically resistant materials, and the start of the production of grinding tools made of synthetic super-hard cutting materials facilitated a considerable improvement of product quality and important material savings in all branches of industry.

—New high-quality materials, including special materials for microelectronics, varnished wire for electrical engineering, continuous casting semifinished products and wire rods for spring steel wire and tire fabrics, new refractory products for converter steel production and ladle metallurgy, powder-metallurgical materials for vehicle parts with a high effect on the economical use of materials, special plastics for the coating of optical fiber leads, highly filled polyacrilate latex paint for facades [hochgefuellte Polyacrylatdispersions-Fassaden-Anstrichstoffe], and ceramic materials for measuring probes became effective for production. Large-scale production of machinable glass-ceramic and ceramic magnetic materials was started and the industrial application of machinable glass-ceramic was expanded.

—The expanded utilization of biotechnology led to a performance increase in various sectors of the national economy because of, inter alia, the intensification of fodder protein production, the expansion of production of veterinary vaccines and diagnostic substances to ensure the animals' health, the development of virus-free and virus-resistant breeding material for agriculturally useful plants, and the introduction of biotechnological methods in waste water treatment.

New encymatic test methods and the supply of biochemical analyzing substances improved the methods of medical diagnosis. The production of computer-aided compact fermentors and ultracentrifuges was started.

—In the field of economical use of material, new solutions became effective for production, including heat decoupling [Waermeauskopplung] from 500-megawatt power plant blocks, the substituting pulverized brown coal fuel for heating oil in oil heating boilers, improved fluorescent lamps with a higher yield of light, and refrigerant compressors with an improved energetic efficiency. The introduction of new methods to reduce sulphur dioxide emissions, including fluidized bed furnaces and a method for the combined removal of dust and sulphur while regaining heat, was started.

By introducing high-quality consumer goods into production, supplies to the population and for exports were expanded. These include small electronic typewriters, new dry irons, a construction line for table grinding machines, low-maintenance lead storage batteries for starters, the "Sprint" sports bicycle, new varieties of tape recorders and record players with improved service characteristics, as well as new refrigerators and freezers.

New top-standard products and facilities raise the GDR's export power; these include container ships, refrigerator trains, special passenger trains and sleepers, port cranes, rolling mill facilities, microelectronically controlled processing centers and flexible automated machine systems, high-performance microelectronically controlled printing machines, computer controlled flat knitting machines, high-capacity packing machines, stranding machines for cable production, and microprocessor controlled automatization facilities.

In basic and applied research, the interlacing of scientific work between the combines and the institutions of the GDR Academy of Sciences and the universities and colleges increased within the framework of contractual research cooperation based on the plan.

In this connection, the research potential was increasingly concentrated on the accelerated development and broad utilization of the key technologies. For this purpose, the combines of industry and the construction sector concluded 2,908 performance contracts and 291 coordination contracts, which are aimed at forming the basis for new products, methods, and technologies. The research projects concluded in 1987 include:

—basic results for the design and the production technology of very-large-scale integrated microelectronic circuits and for a new generation of beam waveguides and the optoelectronic component parts required for this purpose;

—solutions for new memory materials, for user-oriented image recognition systems, and multiprocessor systems for automatization facilities;

Development of sensors for second- and third-generation industrial robots;

—basic processes for the application of laser technology in surfa refinement;

—basic technical and processing characteristics for special materials for tools and for new kinds of glass and ceramic materials and special polymers;

—enzymatic and immunological tests for diagnosing viral and metabolic diseases, new host-vector systems for gaining substances by means of genetic engineering, improved enzyme-producing strains to increase raw material utilization in the foodstuffs industry, and highly effective veterinary vaccines.

The high accomplishments of the young people in mastering science technology were impressively demonstrated by the 4,645 exhibits at the 30th Central Fair of the Masters of Tomorrow and the 10th Exhibition of Achievements of students and young scientists. More

than three-fourths of the tasks were derived from the science and technology plans. In total, 1.2 million young people participated in the Fair of the Masters of Tomorrow movement. The more than 200,000 tasks that were fulfilled yielded a total benefit of M1.92 billion.

A high share in the results achieved by science and technology go to the 5,400 FDJ youth research collectives. The following scientific-technological results, which were awarded the Honorary Prize of Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, are exemplary:

—the FMS 500 flexible machine system developed by a youth research collective in the Karl-Marx-Stadt "Fritz Heckert" Machine Tool Combine;

—the development and construction of the industrial test plant for the production of amorphous and microcrystalline bands by an FDJ youth research collective of the Central Institute for Solid-State Physics and Material Research of the GDR Academy of Sciences, the Riesa Pipe Combine, and the Freiberg "Albert Funk" Mining and Metallurgy Combine;

—an electron beam diagnostics instrument for microelectronics, developed by an FDJ students' collective of the Karl-Marx-Stadt Technical University together with the Leningrad "V.I. Ulyanov" Institute for Electrical Engineering.

Due to the work of the FDJ members and other young people in the "11th SED Congress FDJ Assignment," 6,000 robots were produced and applied, 140 million manhours and 15,000 people were gained by saving jobs, and CAD/CAM workstations were accepted as youth projects. The more than 45,000 youth brigades have an outstanding share in this.

In preparation for their ninth congress, the members of the Chamber of Technology [KDT] reached high achievements which decisively contributed to developing and utilizing the key technologies in the national economy. The achievements include the results of the "Top Performances for Key Technologies" KDT initiative, the high economic effects reached through creative team work in realizing KDT projects to overfulfill the targets of the Science and Technology State Plan and the enterprise plans, and the achievements in the comprehensive advanced training of engineers, economists, and innovators in fields that determine progress.

The tasks with which the GDR contributes to implementing the "Comprehensive Program of Scientific-Technological Progress of the CEMA Member States Through the Year 2000" were fulfilled according to plan. In general, the work stages planned in research and development for 604 tasks within the framework of the Science and Technology State Plan were concluded. In total, 91 results were introduced into production according to plan. These results concentrate on the accelerated development and application of the key technologies and reflect the expansion of cooperation with the USSR and the other CEMA states at the highest scientific-technological level, including

—joint work to perfect basic technologies and develop special technical equipment to start production of new types of very large-scale integrated microelectronic circuits;

—the completion of development work for a new central unit of the unified system of electronic computer technology and for enterprise systems and peripheral equipment;

—the start of production of processing centers, automated machine systems, and new microelectronically controlled machine tools for long-term deliveries of flexible automated manufacturing systems;

—the successful realization of the contractually agreed development work for new materials, such as microcrystalline and amorphous metal bands, and for the processing of ceramic raw materials.

The inventors and innovators had an important share in the utilization of scientific-technological insights to fulfill tasks of the science and technology plans for production renewal and rationalization. In the state-owned economy, about 2 million working people participated in the innovators' movement. The benefit of innovations put into practice in 1987 amounts to M6.2 billion. Inventive work continued to develop in a stable way. In 1987 the GDR's enterprises and scientific-technological institutions applied for patents for more than 11,100 inventions. In the youth's inventors' competition more than 900 patents were applied for.

II. [Roman Two] Industry [subhead]

The working people in industry made the decisive contribution to further increasing the national economy's capacity. More widespread and efficient use of the key technologies was of essential importance for this.

With an increase of 6.6 percent, labor productivity in the sector the industry ministries again rose faster than net production, which increased by 6.3 percent . Thus, the performance increase was exclusively due to the increase in labor productivity. In 72 centrally administered and 32 bezirk-administered combines, labor productivity was raised more quickly than net production. Industrial goods production went up 3.7 percent.

The increase in industrial capacity and efficiency was mainly carried by those combines which reliably fulfilled and overfulfilled all key targets of comparative performance appraisal and the production targets of the state plan positions by considerably raising labor productivity. These include:

Eisenhuettenstadt "Hermann Matern" Strip Steel Combine, Erfurt Microelectronics, Teltow Electronic Component Parts, Regis Brown Coal Installation Construction, Mansfeld "Wilhelm Pieck" Eisleben Combine, and Torgau Plate Glass Combine.

As a result of the measures initiated to ensure product-specific fulfillment of the production targets, the plans were overfulfilled with regard to many products decisive for supplies to the population, the development of the national economy, and the fulfillment of the export tasks. This applies to the following state plan positions, among others:

Cutting machine tools; office, personal, and workplace computers; robot technology products; electrotechnical equipment for machine engines; facilities for the foodstuffs industry; casting facilities; fork stackers; city gas; thin metal sheets (hot rolled); optical fiber cables; condensors; monolithically integrated circuits; pneumatic products; synthetic fibers; sheet glass and plate glass; films for photographs and movies (in color); textile floor coverings; and household washing machines.

In the sector of the bezirke's economic councils net production rose by 7 percent percent and labor productivity by 7.1 percent . Industrial goods production increased by 3.7 percent.

Prime costs per M100 of goods production in industry were reduced by 1 percent.

Combines which reached a reduction of prime costs by 3 percent and more are, for instance: Leipzig Grimma Chemical Installations Construction Combine—3.1 percent; ; Dresden Robotron—7.5 percent; Erfurt Microelectronics—6.6 percent; Carl Zeiss Jena—5.4 percent; Berlin "Friedrich Ebert" Electrical Appliances Works—4.1 percent; Hennigsdorf "Hans Beimler" Locomotive Construction-Electrotechnical Works—4.4 percent; and Schmalkalden Sports Equipment—3.3 percent.

The industrial combines increased production of finished goods for the population by 4.8 percent. The plan was overfulfilled with 101.5 percent. Combines of the consumer goods industry with an increase of the production of finished goods for the population by 7 percent and more are, among others: Berlin Cosmetics Combine—7.8 percent; Berlin "Rosa Luxemburg" NARVA—7.4 percent; Stassfurt Radio and Television—12.0 percent; Schmalkalden Sports Equipment—11.2 percent; Zeulenroda Furniture Combine—12.6 percent; and Cottbus Textile Combine—8.4 percent.

An increasing contribution to the production of attractive consumer goods was made by the combines that manufacture producer goods. In numerous combines profile-determining product lines for consumer goods production were purposefully established, which make it possible to manufacture products that are in high demand among the population in great numbers and in an economical way. This applies in particular to the following combines:

—Erfrut Microelectronics with the production of pocket radios;

—Dresden Ventilation and Refrigeration Technology with the production of a modern household refrigerator;

—Magdeburg "Ernst Thaelmann" Heavy Machinery Construction Combine with the production of household gas appliances.

In the sector of the bezirk-administered industry, a higher supply of consumer goods was mainly effected by combines with an increase in the production of finished goods for the population by 10 percent and more. These are, for instance: Sebnitz Plastics (Dresden Bezirk)—17.6 percent; Eisenberg Plastic Products (Gera Bezirk)—19.9 percent; Apolda Electrical Appliances (Erfurt Bezirk)—12.1 percent; and Arnstadt Machine Building (Erfurt Bezirk)—33.6 percent.

The production of newly developed consumer goods for supply to the population and for exports was up 6.5 percent compared with 1986. More than one-third of the entire consumer goods production are newly developed products. Consumer goods industry combines, which reached a proportion of 40 percent percent and more of the total consumer goods production with newly developed consumer goods, are, among others: Karl-Marx-Stadt Household Appliances—47.4 percent; Karl-Marx-Stadt Cotton—50.6 percent; Karl-Marx-Stadt Hosiery—43.5 percent; and Ribnitz-Damgarten Furniture Combine—61.2 percent.

Quality production in industry increased further. The production of products with the "Q" quality mark rose by 8 percent . An essential contribution to the production of products with a high scientific-technological standard was made by the 775 enterprises which bear the title of "Enterprise of Excellent Quality Work." The combines with a proportion of 40 percent of more of products with the "Q" quality mark in total goods production include: Piesteritz Agrochemical Combine; Berlin "Wilhelm Pieck" Oberspree Cable Works; Berlin "7 October" Machine Tool Combine; Leipzig "Werner Lamberz" Printing Combine; and Dresden Ventilation and Refrigeration Technology.

High product quality is linked with reducing costs for waste and refinishing work. These costs were reduced by 15 percent . A total of 26 combines reached reduction rates of 30 percent and more.

In-house production of rationalization equipment is increasingly developing into the main support of the material-technical preconditions for speedily introducing new products and methods into production. Increased utilization of top modern technical equipment

and technologies in in-house production of rationalization equipment contributed to this. In the sector of the industry ministries, in-house production of rationalization equipment rose by 18 percent. All sectors overfulfilled the plans. The following combines belong to those that reached an increase of more than 30 percent while already having a high production level: Jaenschwalde Brown Coal Power Plant—32 percent; Erfurt Microelectronics—38 percent; and Karl-Marx-Stadt "Fritz Heckert" Machine Tool Combine—41 percent.

The facilities of many combines' in-house production of rationalization means increasingly turn into centers of development and application of the key technologies. Exemplary achievements include:

—the development and construction of heavy welding robots in the Leipzig-Grimma Chemical Installations Construction Combine;

—the development of contour sewing machines in the Berlin Outerwear Combine;

—the production of automatic microcomputer-aided numerically controlled sewing machines in the Weissenfels Shoe Combine;

—the development of high-energy hardening by means of electron beams as well as of laser hardening of engine beds in the Karl-Marx-Stadt "Fritz Heckert" Machine Tool combine;

—the establishment of the manufacture of printed circuit boards for program controlled medical equipment in the Leipzig Medical and Laboratory Technology Combine.

In the individual sectors of industry the following growth in net production and labor productivity and the following reduction in prime costs per M100 of goods production were achieved in 1987 compared with 1986:

| | Net production | Labor Productivity | Reduction in prime costs |
|---|---|---|---|
| | | — in percent — | |
| Coal and energy | 2.1 | 1.5 | 0.7 increase |
| Ore mining, metallurgical industry, and potash | 10.0 | 10.3 | 2.1 |
| Chemical industry | 2.5 | 3.3 | 0.0 |
| Electrical Engineering, electronics | 16.0 | 16.7 | 3.7 |
| Heavy machinery and installation construction | 3.7 | 4.2 | 0.5 |
| Machine tools and processing machinery construction | 10.4 | 11.1 | 1.9 |
| General machinery, agricultural machinery, and vehicle construction | 5.9 | 6.5 | 0.1 increase |
| Light industry | 4.0 | 3.8 | 0.1 |
| Glass and ceramics industry | 6.4 | 6.8 | 0.5 |
| Bezirk-administered industry and foodstuffs industry | 5.4 | 5.9 | 0.5 |
| Geology | 12.3 | 11.2 | 2.0 |

Supported by helpers from the armed organs and from the other sectors of the national economy, the working people of the coal and energy sector accomplished outstanding achievements for a stable supply of energy and fuels to the population and the national economy. The plans were overfulfilled with regard to important refined products of domestic raw brown coal. A total of 1 million tonnes of sifted coal and 6,460 tonnes of high-temperature brown coal coke were produced in excess of the plan. A total of 18.1 million tonnes of brown coal briquettes were sold to the population. This is 4 percent more than in 1986. The plan of city gas production was overfulfilled by 494 million cubic meters.

The plan of electricity production was fulfilled. The repairs of energy production facilities in the large power plants planned for 1987 were carried out. The tasks for the modernization of power plants in the "Economical Use of Energy" FDJ initiative were fulfilled according to plan by the 840 FDJ delegates. In October 1987 the second bloc of the two blocs which had been shut down because of a break-down in the Boxberg power plant was put into service as planned. New facilities for electricity production, among others in the Jaenschwalde "Wilhelm Pieck" Youth Power Plant and in the Thyrow and Zschornewitz gas turbine power plants, were punctually put into service.

The working people—most of them FDJ members—accomplished high performances in the "Natural Gas Pipeline" Central Youth Project in the USSR. Five compressor stations were concluded. On the linear section of the "Progress" and "Yamburg-Tula I" natural gas pipelines 206 km of large pipes were laid and in the

Biltshe-Volitskoye underground gas storage facility, Stry section, 57 probe pipes with a length of 53 km were laid; 900 housing units and 5 communal buildings were completed.

In the geological industry, prospecting work was carried out in the planned scope. It led to an increase in supplies, in particular with regard to brown coal, raw materials for the building industry, and groundwater. A total of 13 billion cubic meters of natural gas were produced. The natural gas production plan was overfulfilled.

In metallurgy the transition to refinement metallurgy was speedily continued. Production of the ranges of refined rolled steel goods increased by 4.5 percent. Its share in the total rolled steel production rose to 82 percent. Increasing the production of newly and further developed highly refined metallurgical products further contributed to reducing unit input of metal in the national economy.

Nonferrous metallurgy supplied electrical engineering and electronics, in particular microelectronics, with special subcontractor products in the required quality, such as special materials, bond wires, and strip base stock [Traegerstreifenmaterial].

All combines in metallurgy fulfilled or overfulfilled the plans of industrial goods production and fulfilled the contracts punctually and in the required ranges.

In the chemical industry, higher refinement of crude oil, natural gas, and of domestic raw materials to high-quality plastics and elastics, chemical fiber substances, agricultural chemicals, pharmaceuticals, and chemicals for microelectronics was continued. One-fifth of the crude oil is used as a raw material. The proportion of light products, such as gasolines, diesel fuels, liquid gases, and straight-run gasolines for the production of aromatic compounds and olefins, in crude oil processing rose to 67 percent. This contributed to covering the national economy's increased demand of fuels and chemical raw materials with an essentially constant crude oil consumption. A high increase was reached in a number of products. Thus, the production of caprolactam rose by 24 percent, that of acrylonitril by 32 percent, that of propene by 9 percent, and that of low-pressure polyethylene by 39 percent. Production of synthetic fibers went up 8 percent. The young people working on the "Intensification of production of highly refined chemical fibers" central youth project made an important contribution to this. Production of steel cable belts, in particular for the coal and energy sector, increased by 6 percent.

The glass and ceramics industry is increasingly manufacturing high-quality glass and ceramic products for microelectronics, refinement chemistry, and biotechnology, in particular on the basis of domestic raw materials and other materials. The proportion of newly developed products in the total production has increased. Production of goods with the "Q" quality mark rose by 21 percent. High growth was achieved with regard to high-quality glass products. Production of glass parts of color television tubes went up 20 percent, that of glass for electric lamps 11 percent, that of foam glass and foam glass parts 21 percent, that of window glass 12 percent, and that of rolled glass 6 percent.

In the sector of electrical engineering and electronics, the high speed of development, production, and application of microelectronic products was steadily continued. With this, further preconditions were established to utilize CAD/CAM technology on a wider scope in the national economy, to carry out step-by-step automation of entire manufacturing stages in a flexible way, and to increasingly carry out management, planning, and correlated targeting with the aid of computers. In particular the working people of the combines Carl Zeiss Jena, Erfurt Microelectronics, Teltow Electronic Component Parts, and Dresden Robotron contributed to this. In these combines considerable growth in production was reached through a high productivity increase, in particular with regard to products of the key technologies. The increase in labor productivity amounted to 21 percent in the combines Carl Zeiss Jena and Erfurt Microelectronics, to 17 percent in the Teltow Electronic Component Parts Combines, and to 28 percent in the Dresden Robotron Combine. These combines increasingly produced quality goods while maintaining a high degree of production renewal. The proportion of newly developed products with the "Q" quality mark in the total production of newly developed goods amounted to 59, 63, 52, and 49 percent respectively in these combines.

By raising the production of special technical equipment by 39 percent and that of microlithographic equipment by 22 percent, important material-technical preconditions were established to increase the production of active semiconductor component parts by one-third. About 100 types of active component parts were newly introduced into production. The production of combined monitoring, regulating, and control facilities increased by 61 percent.

In machine tool and processing machinery building, development, production, and supply of machinery and equipment with a high scientific-technological standard, in particular for automated manufacturing complexes and stages, were raised. A total of 51 percent of the entire goods production have the top quality mark. The process of widespread application of key technologies in the national economy was effectively supported by a high increase of prod in particular of process-flexible industrial robots by 55 percent, of components for cold-forming machine tools by 21 percent, of numerically and computer controlled machine tools by 1 percent, and of machine-tool-specific and robot-specific direct current motor operators by 60 percent.

A high increase was achieved in the production of important processing machinery. The production of machinery and equipment for the printing and paper-processing industry rose by 15 percent and that of machinery and equipment for the textile, clothing, and leather industry by 10 percent. A total of 80 percent of machinery for plastic and elastic processing and 65 percent of the machinery for textile processing are equipped with microelectronic parts.

In general engineering, agricultural machinery, and vehicle building a sizable increase was achieved in the production of a number of economically important machines and installations. The production of installations for the foodstuffs industry rose by 39 percent and that of wrapping machines by 7 percent. In the case of self-propelled loaders, production was up 25 percent. The production of potato harvesters rose by 16 percent. The share of products equipped with microelectronic systems rose to 22 percent. This resulted among other things in reduced fuel consumption by vehicles, in lower crop and raw material losses in the case of agricultural machinery, and in improved processing and wrapping methods in installations for the foodstuffs industry.

In light industry the quality of production structures was improved and the range of products was expanded. Rationalization and modernization of production as well as increasing application of CAD/CAM solutions led to a greater variety of patterns in a number of products, such as worsted fabrics, knitted outer wear, knitted underwear, hosiery, and blankets. More than half of the consumer goods produced in 1987 have been newly developed. The production of furniture upholstery cloths was increased by 10 percent, that of knitted outer wear for ladies by 4 percent, and that of track suits for adults by 9 percent. To further improve the supply to the people, new facilities for the production of men's shirts, bathing gowns, terry towels, and for household linen and underware have been put into operation.

The foodstuffs industry consistently guaranteed a stable supply of high-quality food to the population. The newly developed goods for everyday consumption that were produced include flour blends ready for baking and soft drinks. The range of products was expanded by special bread, diabetic cola, and new types of nonessential food. For the production of farinaceous products new production lines with an annual capacity of 6,000 tonnes have been put into operation. The production of farinaceous products rose by 7 percent and that of cocoa and chocolate products by 4 percent.

**Development of the production of economically important products in 1987 compared to 1986**

| | to percent |
|---|---|
| City gas | 101.8 |
| Electricity | 99.0 |
| Raw brown coal | 99.3 |
| Rolled steel | total 103.4 |
| including: Refined rolled steel | 104.5 |
| Potash fertilizer | 100.7 |
| Nitrogen fertilizer | 105.2 |
| High-pressure polyethylene | 101.9 |
| Synthetic fibers | 108.4 |
| Tires for passenger cars | 101.1 |
| Unipolar integrated circuits | 172.6 |
| Bipolar integrated circuits | 129.4 |
| Optical fiber cables | 341.3 |
| Office, personal, and workstation computers | 160.3 |
| Metal-cutting machine tools | 107.8 |
| Machinery and equipment for chemical processing technology | 109.6 |
| Machinery and equipment for printing and paper-processing industry | 115.3 |
| Wrapping machines | 107.2 |
| Machinery and equipment for textile, clothing, and leather industry | 110.4 |
| Combine harvesters E 514 | 114.8 |
| Continuous conveyors | 112.1 |
| Fork lifts | 105.0 |
| Pumps | 104.0 |
| Fittings | 105.6 |
| Industrial fabrics | 103.3 |
| Roller bearings | 102.0 |
| Color television sets | 103.9 |
| Shoes | 106.8 |
| Children's outerwear | 107.5 |
| Hosiery | 105.9 |
| Furniture and upholstery | 106.7 |
| Household refrigerators | 105.6 |
| including: Household freezers | 103.6 |

Regarding the economical use of energy, further progress has been made. Production increase was achieved while reducing the specific consumption of economically important raw materials and other materials by 3 percent. The consumption of numerous raw materials and other materials, such as mercury, secondary aluminum and alloys, as well as caoutchouc was reduced by 4 percent and more. Decisive factors for this were the development of new products, the consistent utilization of the results from science and technology regarding the saving of material, the increased application of key technologies, as well as material-saving methods and technologies for further refining.

In the metal-working industry the specific rolled steel consumption was reduced by over 7 percent. Despite a

6-percent increase in the production volume, the metalworking industry consumed 60,000 tonnes of rolled steel less than last year.

Through purposeful initiatives, particularly through the accelerated application of scientific-technological results, it was possible to maintain the overall contingents for the consumption of energy. The working people of the Carl Zeiss Combine in Jena have fulfilled in an exemplary manner their pledge to ensure full production while consuming less energy. They reduced the consumption of electricity to 99 percent while considerably increasing production as compared with 1986. This means that specific consumption was reduced by 10.2 percent. Following the example of the Carl Zeiss combine in Jena, many combines and enterprises made efforts to reduce the consumption of electricity permanently and continuously and to cut down electricity-consuming work. Good results in reducing specific energy consumption were achieved in the following combines: Brandenburg High-Quality Steel Combine: 3.9 percent; Schwedt Petrochemical Combine: 3.2 percent; Bitterfeld Chemical Combine: 3.9 percent; Weisswasser Lausitz Glass: 5.9 percent; Kahla Fine Ceramics: 4.8 percent.

In the national economy the pledges for an additional reduction of electricity consumption amounting to 1.5 million kilowatt hours of electricity were fulfilled in 1987.

The supply of the economy with raw materials and other materials was supported by an increased procurement of secondary raw materials and their comprehensive utilization. In 1987 31 million tonnes of secondary raw materials were collected. It was possible to ensure a stable procurement of steel, nonferrous metal, and electronic scrap. The procurement of waste paper, returnable bottles and glasses, and thermoplast wastes from households increased from the previous year. Altogether 5.5 million tons of metal scrap, 680 kilotonnes of waste paper, and 1.3 billion bottles and glasses were collected.

Currently the share of secondary raw materials in the entire use of raw material for the production of raw steel and cooper is 68 percent each, for the production of lead it is 100 percent, and for the production of paper and cardboard it is over 50 percent.

Yielding M2.9 billion, the "Economical use of material" FDJ Campaign and the "Economical use of energy" FDJ initiative were a valuable contribution to the efficient use of raw materials, other materials, and energy. The members of the FDJ and "Ernst Thaelmann" Pioneer Organization collected 470,000 tonnes of scrap and 120,000 tonnes of waste paper.

The population provided an average of 44 kg of waste paper and 197 bottles and glasses per household for the secondary raw material trade. A total of 43 percent of the waste paper and 23 percent of nonferrous metals were supplied by the households.

The working people in water management obtained great achievements in ensuring a stable supply of high-quality drinking water to the population, in ensuring harm-free sewerage, and in supplying all spheres of the national economy with industrial water. The tasks for the implementation of the housing program were fulfilled. Through comprehensive intensification, expansion, and construction, the capacity of the waterworks rose to 8.5 million cubic meters per day. The startup of the first stage of extension of the Radeburg waterworks, the expansion of the Rostock and Potsdam-Wildpark waterworks contributed to this. In 1987 5 million cubic meters more of drinking water than in the previous year were provided for the population. The purification capacity rose by 8,400 cubic meters per hour. The drains and purification plant in Sonnenberg as well as the second stage of extension of the Berlin-Nord purification plant were completed ahead of the plan. New or extended plants, including those in Bad Doberan, Oelsnitz, Eberswalde-Finow, and Zschopau, were put into service according to plan.

In the countryside, another 117,000 citizens received hook-ups to the drinking water network, and another 80,000 citizens received hook-ups for the drainage of waste waters via central plants.

The industry used 4 million cubic meters less of drinking water from the public network. Specific water consumption for production purposes was reduced by 4 percent. A total of 138 enterprises and facilities received awards for exemplary work in the field of water management.

The development and introduction of new scientific-technological solutions for the protection of the environment and the economical use of the natural resources were continued. Prototype plants for flue gas desulfurization, for instance, were put into operation in Wolfen and Leipzig.

In 1987 23,200 hectares were treated with liquid fertilizer for plants and magnesium-containing lime; 3,200 hectares of wood were reforested with smoke-tolerant species of trees. In the "Sound Wood" FDJ drive, over 71,00 FDJ members helped reforest 8,413 hectares of wood and cultivate 14,268 hectares of wood. The population supports with great resolve the program of the regional councils for the protection and shaping of the natural environment.

III. [Roman Three] Investment [subhead]

A total of M75 billion were spent for the modernization, renovation, and expansion of the national economy's material-technical base, and for the continuation of social policy. This is 6 percent more than in the previous year.

The material investment volume in industry rose to M40 billion. Investments were concentrated to a higher degree on the modernization and rationalization of the existing production facilities and on the development

and application of key technologies. Some 78 percent of the investments in the processing industry was used to modernize and rationalize the existing basic assets.

Rationalization investments were increasingly linked with carrying out maintenance and general repairs to increase performance. With the further expansion of the in-house production of rationalization means, important material prerequisites were created. A quarter of the equipment for rationalization investments was produced by the enterprises themselves.

In 1987, 14,700 industrial robots were newly applied in the national economy. They were integrated to a higher degree into assembly, transportation, and loading and unloading. The highest efficiency is achieved in those sectors where they are an integral part of comprehensive solutions to modernize entire production sections.

Good results were achieved in the application of industrial robots, in particular in gaining labor for other economically important tasks, in equipment utilization in terms of time, and in improving the working and living conditions of the working people by, for instance, the "Walter Ulbricht" Leuna Works; Hermsdorf Ceramic Works; "Fritz Heckert" Machine Tool Combine, Karl-Marx-Stadt; and "Werner Lamberz" Polygraph, Leipzig.

The application of CAD/CAM workstations and systems was accelerated. In 1987, 19,000 CAD/CAM workstations and systems were put into operation. They were primarily used for research and development, construction and design, software development, and production preparation and execution.

Through investments, an increase in industrial goods production worth M14.4 billion was achieved. The economically important production facilities completed in 1987 include:

—Facilities for the production of microelectronic goods: semifinished glass products for optical-fiber technology in the VEB Glass Works, Jena; silicon disks in the VEB Trace Metals, Freiburg, and in the Microelectronics Research Center, Dresden; monolithic circuits and silicon transistors in the VEB Semiconductor Works, Frankfurt (Oder); special technical equipment and component parts made of ferrite in the VEB Ceramics Factory, Hermsdorf; power capacitors in the VEB Isokond, Berlin; microlithographic devices in the VEB Carl Zeiss Combine, Jena, enterprise for optical precision device construction; non-through-plated [nichtdurchkontaktiert] printed circuit boards in the VEB Electrophysical Works, Neuruppin; numerical controls in the VEB "Karl Marx" Numerics, Karl-Marx-Stadt;

—facilities for the production, better utilization, and higher refinement of domestic fuels and raw materials: for the extraction of raw brown coal in the open-pit mines of Breitenfeld, Groebern, Reichwalde, Seese-Ost, Goitsche, Schadeleben, Bockwitz, and Cottbus Nord, to generate electricity in the "Wilhelm Pieck" Youth Power Station, in the Karl-Marx-Stadt Nord Power Station, as well as in the Thyrow and Zschornewitz gas turbine power stations; for the production of chlorine and caustic potash solution in the VEB Chemical Combine, Bitterfeld, and of caprolactam and ammonium sulfate in the VEB "Walter Ulbricht" Leuna Works;

—facilities for the application of progressive working and processing methods in the production of goods: shelled bright steel in the VEB Steel and Rolling Mill, Henningsdorf; foundry iron in the VEB "Hermann Matern" Strip Steel Combine, Eisenhuettenstadt; fireclay chamotte in the VEB "Kurt Krenz" Wetro Refractory Works; aluminum oxide in the VEB "Albert Zimmermann" Aluminum Works, Lauta; equipment for chemical processes in the VEB Germania, Karl-Marx-Stadt, and for operating, measuring, control, and regulating systems in the VEB Device and Control works, Teltow;

—facilities for the production of investment goods: rail vehicles in the VEB "Hans Beimler" Locomotive Construction-Electrotechnical Works, Henningsdorf; machines and equipment for mining in the VEB Heavy Machine Construction, Lauchhammerwerk; dust extraction equipment in the VEB "Edgar Andre" Dust Extraction Technology, Magdeburg; metal-cutting machine tools in the VEB "John Schehr" Engineering Works, Meuselwitz, and in the VEB "Union" Machine Tool Factory, Gera; sheet-fed offset printing machines in the VEB PLANETA Polygraph Printing Machine Works, Radebeul;

—facilities for consumer goods production: flatware sets in the VEB Steel and Rolling Mill, Riesa; quartz watches in the VEB Clock Works, Ruhla; table linen in the VEB Oberlausitz Textile Works, Neugersdorf; worsted in the VEB "Ernst Thaelmann" Cotton Spinning Mill, Leinefelde; synthetic curtains in the VEB Plauer Gardine; knitted outer wear in the VEB Apart Apolda and VEB Muelana Knitted Outer Wear, Muehlhausen; terry towels and bathing gowns in the VEB Frottana, Grossschoenau; bed linen in the VEB Planet Linen Manufacture, Eppendorf; Malimo floor covering in the VEB Halfmoon Carpets, Oelsnitz (Vogtland); furniture for children's and young people's rooms in the VEB Furniture Works, Quedlinburg, and in the VEB Furniture Works, Walthersdorf; color television sets in the VEB "Friedrich Engels" Television Set Works, Strassfurt; and porcelain in the VEB United China Factories, Colditz.

The analysis of economic activities shows that careful preparation and exact execution of the investments are important preconditions for swiftly reaching the planned parameters of the new plants and realizing the economic results. The observance of the planned startup dates for investment projects continues to be decisive for performance growth.

Utilization in terms of time of important production equipment in industry rose to an average of 17.4 hours per calendar day. In the plant-intensive branches of basic industry, important production equipment was utilized 19.5 hours and in the branches of processing industry 16.7 hours per calendar day. In 1987 investments of M17 billion were used for the implementation of the housing program and for the education sector, the health and social sector, culture, recreation, physical culture and sports. The facilities that were completed in these fields include:

—a training building and the new construction of the department for experimental organ transplantation at the Charite Institute in Berlin and the new construction of a dormitory building in the Magdeburg Academy of Medicine;

—an new dormitory building in the "Dr Theodor Auerbach" Children's Hospital in Berlin-Weissensee and the renovated dialysis center in the Berlin-Friedrichshain hospital;

—new construction of the X-ray diagnosis department in the Dresden-Neustadt Bezirk hospital;

—a special home for severely handicapped citizens in Spremberg;

—a school for mentally handicapped children in Nordhausen;

—boarding schools of the Pedagogical Colleges in Potsdam and Zwickau and the Rostock children and youth sports school.

For leisure activities of the young people 23 youth club facilities with 3,015 places were constructed in comprehensive housing construction and 47 youth club facilities with 3,397 places were established using facilities of agriculture and with the support of the Peasant Mutual Aid Association and the Association of Consumer Cooperatives. Renovation and modernization measures were carried out in 22 central Pioneer camps and 14 youth tourism facilities.

Regional rationalization is increasingly proving the main path of socialist team work of the local people's representative bodies and their councils with the combines, enterprises, cooperatives, and institutions in the cities and villages. The measures decided in the 1987 national economic plan were fulfilled and partially overfulfilled. Local reserves are tapped to a rising degree with the help of regional rationalization. Interest communities such as in Jena, science and production associations such as in Haldensleben, cooperation communities, and other forms of regionally coordinated cooperation exert influence on the speedy introduction of key technologies in the locally administered enterprises, on the modernization of the existing basic assets, on their better utilization, and on the further reduction of production input. The further shaping of the housing, working, and living conditions of the citizens was effectively supported. By means of regional rationalization measures, 11.8 million hours of free machine-time funds were additionally utilized to fulfill production tasks. The inter-enterprise performances for maintenance of machinery and equipment amounted to M430 million.

Regional rationalization is to be aimed even more purposefully at further performance increase in the kreis-administered construction sector, the service enterprises, housing management enterprises, and in cooperative and private crafts.

IV. [Roman Four] Construction Sector [subhead]

The working people in the construction sector contributed with high performances to strengthening the material-technical basis of the national economy and to successfully implementing the housing program. Particular efforts were directed at raising the economic efficiency and quality of building by means of comprehensive intensification.

Compared with 1986, net production rose by 4.6 percent and labor productivity by 5.7 percent. Thus, performance increase in the construction sector was exclusively due to a rise in labor productivity. In 36 of the 52 centrally and bezirk-administered construction combines labor productivity rose faster than net production. Building output went up 2.3 percent.

Good results in implementing the key targets of performance assessment and a high performance and efficiency growth through increasing labor productivity and a reduction of prime costs were reached by, among others, the following combines:

Magdeburg Highway Construction Combine; Leipzig Light Metal Construction Combine; Leipzig Technical Building Equipment Combine; Neubrandenburg and Erfurt Housing Combines; Erfurt Road Building and Construction Work Combine; and the kreis-administered construction sector of Magdeburg Bezirk.

In 1987 prime costs per M100 of overall building output were reduced by 1 percent. Compared with 1986, unit input of cement was reduced by 4 percent, that of rolled steel by 3 percent, and that of sawn timber by 3 percent.

The higher effectiveness of the results of science and technology were decisive for the construction sector's performance and productivity growth. The 497 application-oriented tasks of the Science and Technology State Plan and the enterprise plans which were introduced in production include:

—the application of microcomputer controlled process-control technology in the manufacture of prestressed concrete ceiling elements, which achieved a doubling of labor productivity and a saving of 15 percent of cement and 24 percent of process energy;

—advanced technologies and equipment for air-placed concrete processes;

—the testing of the 10-day technology for modernizing the kitchen-bathroom-toilet areas in multistory apartment houses;

—the expansion of the ranges of cement as well as wall and floor tiles.

The scientific-technological results contributed to the economical use of material and energy in building, to shortening construction periods, and to reducing building input.

The number of CAD/CAM workstations and systems used in the construction sector for planning, technological preparation, and to control and organize production has more than doubled compared with 1986. They were an important precondition for the 6.3-percent performance increase in project planning.

Important stimuli for the development of performance and efficiency in the construction sector were caused by the top achievements shown at the "GDR Building Exhibition," in particular with regard to the application of key technologies. This exhibition of building achievements, which was the most comprehensive and convincing show to date, was visited by 502,000 citizens.

In-house production of rationalization equipment was increased by 16.5 percent, thus overfulfilling the plan. This created further preconditions for the mechanization of building processes and the automation of entire manufacturing stages.

The industrial construction combines fulfilled the building production plan with 100.4 percent. Measures to increase the capacity of industrial construction were taken. They are aimed at increasing labor productivity more quickly through comprehensive application of scientific-technological top achievements and through a well-founded technological regime.

The enterprises of the construction sector made an important contribution to preserving the existing building stock by raising building repairs by 7 percent. More than one-quarter of their building production was used for building repairs and reconstructive building measures.

On the basis of domestic raw materials and secondary materials as well as their higher refinement, production of the building material industry rose by 2.5 percent. The plan of production of building materials and products of the preprocessing industry was fulfilled with 100.1 percent. In particular building locks and braces, asbestos cement and cast iron pressure pipes, wall and floor tiles, washstands, light aggregates, and blocks for manual assembly work were produced in excess of the plan. The construction sector provided finished goods for the population worth M2.5 billion. This is 8.5 percent more than in 1986.

The housing program in its unity of new construction, renovation, modernization, and maintenance is being consistently implemented. In total, 214,186 apartments were handed over to the population in 1987. This is 4,067 more apartments than planned. A total of 113,974 apartments were newly constructed, including 11,774 private homes; 100,212 apartments were modernized. In 1987 13 bezirke exceeded the housing construction plan.

An increasing number of apartments was built in already developed urban areas. Through urban housing construction the attractiveness and efficiency of many older residential areas was increased. In the "Rebuild and Expand" FDJ drive 20,100 apartments were completed.

The network of communal institutions was expanded in order to improve supplies to and care for the population in the residential areas. In 1987 8,584 places in nurseries; 21,679 places in kindergartens; 2,083 classrooms; 136 school gymnasiums; and 471 mobile medical and stomatological workplaces were newly established or renovated. A total of 2,722 places in old people's homes and nursing homes and 2,651 apartments in houses for senior citizens were handed over for use.

Tangible progress was made in preserving the existing building stock. Building repairs to apartment houses increased by 5 percent.

The kreis-administered construction sector fulfilled the plan for building repairs to apartment houses with 103 percent.

In the "Beautify our towns and villages—Join in!" citizens' initiative the highest annual result to date was achieved with the renovation of 177,816 apartments for senior and needy citizens.

V. [Roman Five] Agriculture, Forestry, and Foodstuffs Industry [subhead]

In implementation of the decisions of the 13th GDR Peasants' Congress, the cooperative peasants and workers in agriculture, forestry, and the foodstuffs industry ensured stable supplies of food to the population and of raw materials to industry. Further progress in comprehensive intensification was decisive for this. Cooperative collaboration between the LPG's and state farms of crop and livestock production is becoming increasingly

effective. Work with plot-related maximum-yield concepts and animal-shed-related maximum-performance concepts essentially contributed to the good results in crop and livestock production.

In crop production in general, the highest yields in the GDR's history were achieved under complicated weather conditions with 51 decitonnes of grain equivalent units per hectare of agriculturally usable land, thus overfulfilling the plan by 5 percent. This was decisively influenced by the good grain harvest with a per-hectare yield of 45.9 decitonnes of grain cereals and a total yield of 11.5 million tonnes of grain, whole-plant pellets, and large-grained leguminosae. Concerning potatoes, sugar beets, green and silage corn, field fodder crops, and on meadows and pastures, the highest yields achieved to date were exceeded. The good results in agriculture are primarily due to the top achievements of many LPG's and state farms in crop production. A total of 103 enterprises harvested more than 60 decitonnes of grain per hectare, 247 enterprises harvested more than 300 decitonnes of potatoes, and 101 enterprises more than 400 decitonnes of sugar beets.

In total, the following yields were reached per hectare:

| | Average 1981-85 | 1986 | 1987 |
|---|---|---|---|
| | —decitonnes per hectare— | | |
| Grain | 41.3 | 46.4 | 45.9 |
| Oil seeds | 22.5 | 28.1 | 23.8 |
| Sugar beets | 294 | 346 | 347 |
| Potatoes | 206 | 218 | 268 |
| Fodder root crops | 511 | 525 | 557 |
| Green and silage corn | 317 | 352 | 423 |
| Field forage plants | 400 | 397 | 447 |
| Meadows | 295 | 300 | 325 |
| Pastures | 317 | 325 | 350 |

The state procurement plan was fulfilled with regard to the main cultures of crop production, except for fruits and oil seeds. Fruit harvest was considerably impeded by late frosts in spring. The losses due to the weather, in particular in the case of apples, pears, plums, cucumbers, and tomatoes, caused temporary limitations in the ranges of fruit and vegetable supply. The socialist agricultural enterprises cultivated winter grain on 1,962,500 hectares and winter oil seeds on 150,000 hectares. For irrigation, 77,200 hectares were developed by means of renovation and new construction, thus overfulfilling the plan targets.

The planned state procurement of animal products was fulfilled or overfulfilled in all bezirke with regard to slaughter animals, milk, and eggs. A total of 85,000 tonnes of slaughter animals, 325,000 tonnes of milk, 138 million eggs, and 200 tonnes of wool were supplied in excess of the plan.

| | Fulfillment of the 1987 National Economic Plan | Development compared with 1986 |
|---|---|---|
| | —in percent— | —to percent— |
| Slaughter animals | 103.3 | 101.2 |
| Milk | 104.4 | 98.5 |
| Eggs | 102.9 | 101.1 |
| Wool | 102.6 | 102.2 |

In livestock production, too, the high results of 1986 were repeated and the economical use of fodder was improved by 1 percent.

The proportion of fodder from the farms' own production was raised. Progress was made in the performance increase per animal, in particular with regard to raising the breeding performance of the cattle and pig stocks. By means of conscientious raising and care, it was possible to improve breeding results of piglets and to reduce losses of calves.

On 30 November 1987, the following livestock was available:

| | Number of animals in 1,000 units |
|---|---|
| Cattle | 5,724 |
| of which: cows | 2,015 |
| Pigs | 12,375 |
| of which: young pigs | 2,787 |
| sows | 1,097 |
| Sheep | 2,656 |
| Laying Hens | 24,745 |

From the individual production of the cooperative peasants and workers, the members of the Union of Small Gardeners, Settlers, and Small Livestock Breeders, and from other small producers, 4 percent more slaughter animals, including 8 percent more slaughter cattle and 16 percent more slaughter poultry, were purchased than in 1986.

The comprehensive utilization of scientific-technological findings in the LPG's and state farms for crop and livestock production were of great importance for the increase in agricultural production and its efficiency. The key technologies, including in particular microelectronics, robot technology, and biotechnology, were applied to a greater extent. Examples of this can be seen for instance in:

—the increasing application of soil and stock management for grain and other agricultural and horticultural products;

—the application of in-vitro cultivation to produce high-capacity seeds and plants in fruit, vegetable, and ornamental plant production;

—the use of more robots, in particular for milking out [nach melkroboter] and to remove the milking clusters;

—the increased application of biotechnological methods in livestock production, in particular the application of embryo transfer in cattle and reproduction control in pigs.

At the end of 1987 more than 3,000 computers were being used in agriculture, forestry, and the foodstuffs industry for soil and stock management control, for production guidance and control in animal sheds, green houses, and storage facilities, in enterprises of the preprocessing and processing sectors, and for other tasks.

Manifold efforts and initiatives by the maintenance collectives were directed toward ensuring the functioning of technical equipment in agriculture, forestry, and the foodstuffs industry. The agricultural technology enterprises fulfilled the maintenance plan 100.9 percent. This represents an increase of 5.2 percent compared with 1986. The plan for in-house production of rationalization equipment was overfulfilled in agriculture, forestry, and the foodstuffs industry. In total, rationalization equipment worth M1.8 billion was produced. This is 7.3 percent more than in 1986.

The working people of the foodstuffs industry were able to process agricultural raw materials more efficiently. The production plans for the state plan positions concerning meat, butter, sugar, extraction shred, hides, and furs were fulfilled or overfulfilled. In the combines of the foodstuffs industry and agricultural technology, the plan for net production and industrial goods production was overfulfilled. Compared with 1986, net production increased by 1.5 percent and labor productivity by 1 percent. The working people in forestry supplied 10.6 million cubic meters of rough timber to the national economy. Consumer goods production was 9 percent higher than in 1986.

Forest cultivation measures were carried out on 323,000 hectares, including cultivation of young forests on 43,500 hectares. In total, 22,400 hectares were afforested.

An important contribution to the good results in agriculture and forestry was made by the young cooperative peasants and workers. The young people's economic initiatives include the results of the 191 "Grain Harvest" kreis youth projects and the M105 million gained in the "Economical Use of Fodder" FDJ campaign.

The LPG's, state farms, and other enterprises located in the villages increasingly contribute to improving housing conditions, hooking up further households to the central drinking water supply, and to perfecting the social infrastructure.

VI. [Roman Six] Transportation, Posts, and Telecommunications [subhead]

In the transportation sector, the working people accomplished great achievements, partly under complicated conditions, to fulfill the transportation tasks for the economy and the population. Further progress was made in coordinating the transportation processes and in optimizing the execution of transportation. Unit input of transportation in the national economy was reduced by more than 3 percent.

The tasks of transportation, loading, and unloading for the GDR foreign trade and for transit traffic through the GDR were fulfilled in line with demand.

In inland and border-crossing traffic, the railroads transported a total of 344 million tonnes of goods. Three-quarters of the goods transportation in inland traffic was carried out by the railroads. Container traffic transportation rose by 3.5 percent.

Putting into service another 329 km of electrified railroad tracks contributed to solving the transportation tasks in a more efficient way. The collectives of the "Railroad Track Electrification" Central Youth Project thus reached the highest annual performance to date in the electrification of railroad tracks. Four new converter stations were established to supply the railroads with electricity. In 1987 electric trains started operating on the second continuous track between the Baltic Sea harbors of Rostock and Wismar and Bad Schandau as a result of putting into service the new Elbe bridge at Wittenberge. The Berlin Main Railroad Station, the Lausitz brown coal area, and the Schwedt Petrochemical Combine were integrated into the electrified railroad network. The proportion of electric haulage in railroad transportation rose to 41.6 percent and was above the amount planned for 1987. A total of 111 electric locomotives, 4,885 freight cars, and 5,900 containers were put into service.

Particular efforts were made to implement the measures decided to guarantee the stability of and a gradual increase in the capacity of the railroad network, the necessary transportation of coal, building materials, and supplies to the population, and foreign trade transportation. A total of 300 km of important railroad tracks which showed signs of alkali damage were renewed.

During the first half of 1987, transportation by inland navigation was restricted due to weather conditions. During the second half of the year, an 8.3-percent increase over the same period of the previous year was reached in inland navigation performance.

In inland road transportation the amount transported was reduced by 3.5 percent while meeting the demands of the economy. By further optimizing road freight transportation, the transport volume of the enterprises' own means of transportation was reduced by 4.8 percent. The performances of border-crossing road traffic rose by 4 percent. This fully met all requirements of the GDR's foreign trade.

Maritime navigation carried 14.4 percent more goods than in 1986. Transfer of goods in the seaports amounted to 24.8 million tonnes.

The Mukran-Klaipeda railroad-ferry link between the GDR and the USSR carried 1.4 million tonnes of goods. In 1987, for the first time three railroad freight ferries were in operation.

Public means of transportation carried an average of 11.3 million persons per day; 186 new streetcar wagons, 1,004 new buses, and 180 new coaches for passenger trains contributed to ensuring passenger transportation. New microcomputer-controlled counter printers made the sale of tickets in national and international tourist traffic easier. More interactive machines for self-service tickets were put into service in 1987. The development of transportation in new residential areas was continued, in particular by expanding the streetcar networks.

Posts and telecommunications increased their performances by 2.5 percent for the national economy and the population in the communications sector. Through rationalization and application of computer-aided processes, the quality of services was further improved. The performance increase in telephone and teletype communications amounted to 4.4 percent. In 1987, 63,500 main telephone hook-ups were newly installed; 964 public pay-phones for direct dialing were newly established. Services for clients in post offices were expanded by the use of about 500 counter terminals. In nine bezirke new transmitters were put into service to facilitate the reception of GDR radio and television programs.

VII. [Roman Seven] Development of the People's Material and Cultural Standard of Living [subhead]

In line with the unity of economic and social policy, high performances in production were directly linked with further improvements in the people's material and cultural standard of living. In continuation of the housing program—the core of the sociopolitical program—housing conditions were improved for another 643,000 citizens, in particular for workers families, families with many children, and young married couples.

By further improving work in housing policy and management, the local state organs contributed to utilizing the existing housing stock with higher social effectiveness. The voluntary exchange of apartments by the citizens was further promoted.

In 1987, 225,591 children were born, this is 3,300 more than in 1986. With the increased children's allowances as of May 1987 in implementing the decisions of the 11th SED congress, another measure to promote social security and the protection of families with children was implemented. About M2 billion per year are used for this important sociopolitical measure. Closely linked with the high performances in all areas of the national economy, the net money income of the population rose by 4.6 percent.

In 1987 achievement-oriented wage measures in the form of new bonus payments became effective for 1.2 million working people.

Real per capita income of the population went up 4.6 percent.

In 1987 retail trade turnover rose by 3.5 percent, that is M4 billion. The supply of basic consumer goods to the people was ensured at stable consumer prices. The supply of essential and nonessential foods and beverages was further increased, even though the per capita consumption of the population was already high.

| Increase in the amount of the supply of essential and nonessential foods and beverages compared with 1986 | to percent |
|---|---|
| Meat, meat products, and sausages | 102.8 |
| Fat cheese and fat cottage cheese | 106.4 |
| Eggs | 102.0 |
| Fresh vegetables | 102.5 |
| Cocoa and chocolate products | 103.9 |
| Instant baby food | 104.4 |
| Liquid food for small children | 101.9 |
| Wine | 105.6 |
| Roasted coffee | 102.0 |

Retail trade turnover of luxury foods and beverages increased by 7 percent.

Turnover of industrial goods was raised by 4.1 percent. The population bought 6.2 percent more shoes and leather goods, 4.4 percent more textile goods, 4.9 percent more household chemical products, 4.6 percent more furniture, fancy goods, and sports equipment, and 4.3 percent more household and domestic goods than in 1986.

More new and further developed products, which better meet the higher demands on service value and technical standard, are on sale. These include reflex cameras, vacuum cleaners, percussion drills, coffee machines, quartz clocks, color television sets, and tape recorders.

The number of private cars per 100 households rose to 50, that of color television sets to 46, that of freezers to 37, and that of washing machines to 97.

The sale of youth fashion products increased by 7.5 percent. In certain youth fashion ranges about 70 percent of the products were renewed.

| Increase in the quantity of the supply of goods from domestic production and import compared with 1986 | to percent |
|---|---|
| Color television sets | 112 |
| Radios | 107 |
| Household freezers | 107 |
| Household washing machines | 104 |
| Vacuum cleaners | 111 |
| Solid-fuel stoves | 109 |
| Motorcycles | 111 |
| Knitted underwear | 104 |
| Knitted outerwear | 103 |
| Trainings clothes | 105 |
| Hosiery | 103 |
| Outerwear for children | 112 |
| including children's trousers | 117 |
| Outdoor hoes for children | 111 |

A stable supply requires that the plan be steadily and reliably fulfilled day by day, in line with the corresponding contracts and with regard to quantity, ranges, quality, and value.

Services and repairs for the population rose by 6 percent to M7.4 billion. Repairs to private cars rose by 9 percent, those to furniture and upholstered goods, by 12 percent, to umbrellas by 10 percent; optometrist services increased by 7 percent, and repairs to electric household appliances by 9 percent. The network of facilities where goods to be repaired are accepted was expanded, in particular in the rural areas. With regard to chemical cleaning and washing, shoemaking, hairdresser services and photographic services, as well as municipal services, it is necessary to tap further local reserves and to improve even more the supplies to the population.

Cooperative and private craftsmen's enterprises provide more than two-thirds of all services and repairs for the population. The craftsmen's enterprises increased these performances by more than 6 percent. In 1987 approximately 5,000 trade licences were granted to new craftsmen's enterprises.

In the public education sector the character of the general polytechnical secondary school and of preschool education continued to be developed according to the plan. The quality of instruction and of the total education and training work was raised. New syllabi were introduced in grades 1 to 3, and for the subjects of mathematics and physics in grade 9, and of astronomy in grade 10.

In 1987 the number of kindergarten places was increased to a total of 890,000; of classrooms, to 121,000; school gymnasiums, to 4,100; and places in boarding schools and homes for children, pupils, and adolescents, to 62,500. All children of the corresponding age groups are given the opportunity to attend a kindergarten or day-care center, if their parents so wish.

It is guaranteed that all children and adolescents with physical and mental handicaps who are capable of learning are taught and educated in institutions with special pedagogical and medical care.

At the beginning of the school year 1987-88, 7,355 graduates of special pedagogical schools and colleges, as well as of other colleges, started work in educational institutions. A total of 39,500 full-time and part-time educators teach general skills to the pupils of the seventh to tenth grades in polytechnical classes. In other polytechnical centers and expanded secondary schools computer rooms were established.

Almost 1.5 billion children and adolescents are active in 110,000 working groups in their leisure time. More than 670,000 parents and representatives of the democratic public were elected to the new parents' councils.

More than 81 percent of the pupils regularly participate in sports in school sports associations or in the sections of the German Gymnastics and Sports Association of the GDR. In 1987, 85 percent of the pupils took school meals and 75 percent of the pupils received milk.

Vocational training made an effective contribution to the formation of socialist, skilled workers personalities [facharbeiterpersoehnlichkeiten], as well as to the increase in the national economic performance.

As of 1 September 1987, new curriculums were introduced for 99 further skilled workers professions. Thus, 83 percent of the future skilled workers who started their training in September are already receiving theoretical and practical training according to the new curriculums. In all skilled workers professions the apprentices receive the computer training for grade 10 school-leavers. There are computer cabinets in 388 vocational schools. The FDJ's sponsorship in this respect has stood the test.

In 1987, 181,700 school-leavers started skilled workers' training. Every person leaving school is provided with a position as an apprentice or with a place to study and, after the conclusion of his training, with a sure job. Almost 93 percent of the apprentices participated in the Fair of the Masters of Tomorrow Movement. In 1987, 183,400 apprentices concluded their training. At the time of passing the skilled workers' examination, 95 percent of the apprentices achieve steady, skilled workers performances in the main fields of their job. The 32 centrally-assigned youth training production projects are implemented according to the plan. A total of 150,000 apprentices participated in 9,677 further youth training production projects and achieved an economic profit of M850 million.

The material conditions of vocational training were further improved by the new establishment or reconstruction of 122 classrooms and 547 places in apprentice hostels. For about one third of the apprentices a place in an apprentice hostel is available.

Advanced training for the working people is increasingly becoming a pillar that is equal to training. One out of four workers and employees participated in further training measures. The working people are increasingly enabled to master the new work contents, methods, and conditions, resulting from the application of key and high technologies.

In the university and technical school sector the efficiency of teaching, research, and studies was further increased.

The relations of the universities and colleges to the combines were further extended and deepened on the basis of 211 coordination contracts and approximately 2,400 performance contracts.

University education was further perfected by a sound fundamental education, the intensified promotion of independent scientific work by the students and their purposeful involvement in research. At the 10th Central Performance Exhibition students and young scientists showed extraordinary performances regarding the command of the key technologies. The 352 FDJ youth research collectives working together with partners from industry, and the more than 3,300 youth projects of the students' rationalization and construction offices and scientific students circles have a large share in this. In the FDJ initiative "Scientific Instrument Construction", a profit of M15.4 million was achieved. The 65,284 members of the FDJ students' brigades achieved a production worth of M265 million during the FDJ student summer.

In 1987 about 49,800 students successfully concluded direct and research studies at the 53 universities and colleges, and at the 239 engineering and technical schools. All graduates of technical, economic, mathematical-scientific, and agricultural studies received computer training. There are more than 250 computer cabinets at the universities and colleges.

In September 1987 approximately 74,600 students started university or technical studies, 56,600 of them began direct studies. Approximately 1,500 young skilled workers acquired a university academic standard in preparatory courses. At the universities and technical colleges 120,000 participants receive further education every year, for example, in the sector of computer science, microelectronics, CAD/CAM technology, introduction to programming languages, user-software for office computers, and biotechnology.

Due to the increased capacity of the health and social sector, basic out-patient and in-patient treatment for the citizens was guaranteed with higher quality and efficiency. Preventive health care was further extended, above all for working people, pregnant women, mothers and children.

Efforts were intensified to enable and enlist the citizens to do more for their health and fitness.

Comprehensive efforts, especially in the industrial agglomeration and large cities were aimed at extending and improving medical care for the citizens.

A total of 40,700 doctors and 12,500 dentists are presently working in the health sector. Thus, on average, every doctor attends to 410 and every dentist to 1,330 inhabitants.

For the out-patient treatment of the population there are 33,000 doctors and dentists and 5,500 nursing stations.

In many places early, late, and Saturday consulting hours were also introduced. The enterprise medical system provides medical and hygienic treatment for three-quarters of all working people. In 1987, 2.5 million citizens received medical treatment in hospitals. By using the results of medical science and technology and introducing new diagnostic and therapeutic methods, it was possible to increase the hospitals' efficiency for the people. With the implantation of 9,260 joint endoprostheses, 282,600 artificial kidney treatments, and more than 2,400 heart operations using a heart-lung machine, further important results were achieved for the life and health of the affected citizens.

An important contribution to improving the state of health of the population was made through the approximately 360,000 therapeutic, prophylactic, and convalescence cures for adults and children. Preference was given to shift workers, working mothers, and working people, who work under more difficult conditions.

In 7,600 nurseries 355,000 children—84 percent of the eligible children who are up to 3 years old—are looked after with loving care.

The number of places in old people's homes and nursing homes was increased to more than 141,500.

In 1987, 22,000 mentally and physically handicapped children and adolescents were assisted and cared for in special institutions.

In protected [geschuetzt] workshops of the health and social sector and in enterprises 45,000 working places are available for handicapped citizens and rehabilitationists.

The decisions of the 11th SED Congress are being implemented with many initiatives in the sector of physical culture and sports. Important results were achieved in preparing, implementing, and evaluating the results of the Eighth Gymnastics and Sports Festival and the 11th Children's and Youth Spartakiad of the GDR. The Leipzig Festival and Spartakiad Days developed into a major social, sports, and cultural climax in the lives of our people.

Almost 4 million citizens of all ages were awarded the GDR sports medal "Ready for Work and for the Defense of the Home Country." More than 4 million citizens participated in mass sports competitions and events in the enterprises, residential areas, municipalities, and holiday institutions.

There were 500,000 participants in the kreis sports festivals of the working people. In children's and youth sports 63,900 girls and boys took part in the kreis Spartakiads in winter, and 979,000 in summer.

In 1987, too, the GDR's competitive athletes represented their socialist home country in a worthy manner. In world and European championships they won 77 gold, 69 silver, and 64 bronze medals. Especially successful were the track-and-field athletes, the swimmers, the rowers, the canoeists, and the boxers.

The competitions involving more than 10,000 participants in the 11th Children's and Youth Spartakiad turned out to be a show of the performance of the new sports generation.

In 1987, 197 sports facilities were completed and handed over for use. Among them are 44 sports grounds, 136 school gymnasiums, 2 sports halls and 2 indoor swimming pools.

By means of the holiday service of the trade unions and the socialist enterprises, 5.1 billion vacation trips were provided in 1987. Using the GDR Travel Agency, approximately 1.1 million citizens travelled abroad in 1987. Approximately 1 million foreign tourists were attended to by the GDR Travel Agency.

More than 2 million girls and boys took advantage of the manifold services of the FDJ "Jugendtourist" Travel Agency. A total of 3.6 million pioneers and FDJ members, as well as many foreign guests, participated in the organized vacation activities in the winter and summer holidays. More than 100,000 apprentices were integrated into the collective holiday program. Within the exchange of children and young people between the GDR and the People's Republic of Poland, more than 380,000 girls and boys from the two countries spent exciting vacations.

Arts and culture contributed great achievements to enriching the intellectual-cultural life of the working people and to further enhancing the GDR's international reputation.

The program of the 750th anniversary of Berlin comprised more than 2,200 events, including more than 700 national cultural events, more than 350 exhibitions, more than 200 congresses, conferences, and meetings, as well as international tours by 467 ensembles, orchestra directors, and soloists from 44 countries. The national and international tours, as well as theaters, ballets, and concerts were attended by 3.5 million people.

The 550 events of the 31st Berlin Theater and Music Festival alone were attended by more than 360,000 visitors.

The mass political highlight was the "Historic Parade," which was enthusiastically acclaimed by 700,000 people.

The outstanding and well-attended events of intellectual-cultural life include the 10th GDR Artistic Exhibition in Dresden. More than 500,000 visitors saw 2,850 works by 1,560 artists from all areas of fine and applied arts which were exhibited there.

Radio and television contributed in manifold ways to meet in an increasingly better way the citizens' increasing demands for information, education, and varied entertainment. By continuing the television serials "Race with Time," "Prisma," and "Computer Hour," the GDR television service promotes the exchange of opinions for the enforcement and widespread application of the scientific-technological progress, in particular of the key technologies. The DT 64 youth channel started operations with 20 hours of broadcasts per day.

VIII. [Roman Eight] Foreign Trade [subhead]

In trade with the socialist and nonsocialist states the GDR achieved an export surplus of 3.3 billion valuta marks in 1987.

The socialist economic integration with the USSR and the other CEMA countries is being further deepened in implementing the long-term agreements. The GDR is fulfilling the accepted obligations in implementing the comprehensive CEMA program with high achievements. About 30 percent of the scientific-technological potential and 50 percent of the budget planned in the Science and Technology State Plan are currently used for this purpose.

Trade with the states of the socialist economic area amounted to 122 billion valuta marks. The GDR conducts more than two-thirds of its total foreign trade with these states.

The "Long-term program of the development of cooperation between the GDR and the USSR in the fields of science, technology, and production for the period through the year 2000" is being successfully implemented. With a share of almost 40 percent in the foreign trade turnover, the USSR is the GDR's biggest trade partner. Trade is increasingly determined by new products with a high scientific-technological standard. About half of the GDR's deliveries to the USSR were specialized products. The proportion of specialized products in the exports of the metalworking industry amounted to 70 percent. Deliveries of raw materials and other materials from the USSR to the GDR ensure to a great extent the supplies to the GDR national economy. In 1987 the

USSR delivered, for instance, 17.1 million tonnes of crude oil; 7.0 billion cubic meters of natural gas; 3.3 million tonnes of rolled steel; and 97,000 tonnes of chemical pulp.

Purposeful work is being done to implement the agreements concluded by Comrade Erich Honecker and Comrade Mikhail Gorbachev, which initiated a new stage of scientific-technological and economic cooperation between the GDR and the USSR. An important contribution to solving these significant tasks lies in the results of the deliberations of the GDR and USSR party and government delegations, which took place in June 1987. At present there are 170 government and ministerial agreements, as well as 33 branch programs for cooperation. More than 100 government and ministerial agreements are aimed at the accelerated development and application of key technologies, and at the introduction of scientific-technological top achievements in production. Further perfecting and developing cooperation in such fields as microelectronics, robot technology, electrical engineering, nuclear energy, biotechnology, and the creation of new materials is very important for the national economies of the two countries.

Cooperation with the USSR is increasingly characterized by establishing and deepening direct work relations between the combines and enterprises of the GDR and the production associations and research institutions of the USSR. At the end of 1987 there were 119 agreements on direct relations in existence. These include relations between, for instance, the:

—Berlin "Wilhelm Pieck" Oberspree Cable Works Combine and the Moscow Cable Industry Scientific Production Association, for cooperation in the field of wave guide technology;

—Karl-Marx-Stadt "Fritz Heckert" Machine Tool Combine and the Ivanovo "50 Years USSR" Heavy Machine Tool Production Association, for the development of a pentagonal processing center for the processing of large prismatic parts with space-saving design;

—"Werner Lamberz" Printing Combine and the Andropov "Polygrafmash" Production Association, for the development of component parts for sheet-fed offset printing machines and their construction through division of labor;

—Torgau Plate Glass Combine and the Moscow "Rostroitekhsteklo" Un Association, for developing and introducing in production highly productive equipment to cut, transport, and intensify production of plate glass by means of modern forming methods.

Based on socialist economic integration, the economic relations with states of the nonsocialist economic area developed on the basis of equality and mutual benefit. Trade relations with the developing countries were effectively linked with scientific-technological cooperation, cadre training, advisory work, and projects for industrial cooperation.

Numerous enterprises and combines were able to meet in an increasingly better way the requirements of the markets through a high scientific-technological standard of the export goods, absolute adherence to delivery stipulations, flexible reactions to the customers' demands, and a high standard in service and spare part supply. This applies mainly to enterprises and combines of the machine tool and processing machinery building. Considerable growth rates were achieved in particular in the export of cutting machine tools; printing and foodstuffs industry machinery; lifting, transportation, refrigeration, and airconditioning equipment.

The 1987 Leipzig fairs clearly reflected the internationally recognized positions of the GDR as a socially stable and economically dynamic factor, which actively promotes peaceful cooperation among states.

In 1987 the favorable development of the GDR's national economy was successfully continued. The positive balance sheets prove that the GDR is well equipped to master the imminent tasks in further shaping the developed socialist society.

Fully in the spirit of the decisions of the fifth SED Central Committee session, workers, cooperative peasants, members of the intelligentsia, and citizens of all strata are doing their best for the further successful implementation of the decisions of the 11th SED Congress. To this end, they are directing their creative skills and their energy toward the overall fulfillment of the 1988 plan, which is decisive for the implementation of the 1986-90 5-year-plan. The plan targets demand that important scientific-technological achievements—top achievements in decisive areas—are accomplished and are applied with considerable economic benefit. Progress with regard to modern production must cause a fast increase in labor productivity, must be reflected in a tangible increase in economic efficiency, and must strengthen the GDR's positions on world markets. The concentrated and effective use of investments is of utmost important. A production increase will continue to go hand in hand with improving the people's working and living conditions.

Based on strong economic growth, the course of the unity of economic and social policy will be purposefully continued—for the benefit of the GDR's people and their peaceful future.

### Marjai Departs for Moscow CEMA Session

*LD011449 Budapest MTI in English*
*1414 GMT 1 Feb 88*

[Text] Budapest, February 1 (MTI)—On Monday Jozsef Marjai,deputy chairman of the Council of Ministers and Hungary's permanent representative to the Council for Mutual Economic Assistance, left for Moscow to attend the 126th session of the Executive Committee of the Council for Mutual Economic Assistance. He was seen off by Boris Stukalin, ambassador of the Soviet Union to Hungary.

### Horn Holds Talks With YAR Officials

*LD012256 Budapest MTI in English*
*1919 GMT 1 Feb 88*

[Text] Budapest, February 1 (MTI)—State Secretary of Foreign Affairs Gyula Horn paid a visit to the Yemen Arab Republic from January 29 to February 1. He held negotiations with Deputy Prime Minister and Minister of Foreign Affairs 'Abd al-Karim al-'Iryani, with Deputy Prime Minister and Chairman of the Central Planning Organization Muhammad Sa'id al-'Attar, with First Deputy Minister of Foreign Affairs Ahmad al-'Iryani, and other Yemeni leaders. At the meetings it was stated that the traditions of the Hungarian-Yemeni relations, the mutual interests provide framework for the substantial expansion of cooperation especially in the fields of goods turnover, agriculture, water management, health and education. The parties reviewed timely international issues, and there was understanding in the themes of disarmament, peace and other issues affecting humanity. Special attention was paid to the situation in the Middle East, the solution of the crisis in the Persian Gulf and the possibilities to reduce tension.

### Discussions Held With Moldavia's Kutirkin

*LD020431 Budapest MTI in English*
*1550 GMT 1 Feb 88*

[Text]Budapest February 1 (MTI)—At the invitation of Hungarian Ministry of Trade State Secretary Ferenc Bartha, Deputy Prime Minister of the Moldavian Soviet Socialist Republic and President of the Moldavian State Planning Committee Vladislav Kutirkin arrived to Budapest on Monday. In the parliament the economic discussions have already been started on the questions of the development of cooperation between the two countries' companies, scientific institutions and authorities.

### Banyasz Discusses Economic Problems

*AU011755 Budapest MAGYAR HIRLAP in Hungarian*
*29 Jan 88 pp 1,5*

[Correspondents' report on press conference given by Government Spokesman Rezso Banyasz: "Council of Ministers Holds Meeting—Credits for Technical Development—Law on Foodstuffs and Agricultural Production Cooperatives To Be Modified"—in Budapest on 28 January]

[Excerpts] [Passage omitted]

[Hungarian radio correspondent] The chairman of the National Material and Price Office issued a regulation according to which corporate bodies cannot purchase foreign products worth more than 25,000 forints from private persons.

[Banyasz] First of all, I would like to stress that this regulation is far from being aimed at limiting tourism or the purchase of goods by private tourists, goods purchased abroad for private use. [passage omitted]

The regulation intends to avoid the purchase of goods for commercial purposes and the use of the subsequent difference in prices. The purchase of various technical articles abroad has lately become increasingly commercial in nature, and this has led to an exaggerated profit being made by some people, in some cases several hundred thousand forints. Besides, the new regulation will affect only a few thousand people from among the many millions of Hungarian tourists. [passage omitted]

[MTI correspondent] What are the main regulations of the proposal modifying the foodstuffs law?

[Banyasz] [Passage omitted] The modified law will make it possible for the small agricultural producers and various small ventures to join more actively the activity of agricultural units that produce and process food. The licensing procedure for establishing agricultural units that produce foodstuffs will be simplified. At the same time, however, production regulations will become stricter, particularly the use of additives. [passage omitted]

[VESZPREMI NAPLO correspondent] The Nitrogen Works at Pet has been struggling with severe economic problems for several years. In my opinion, its stock of fixed assets, amounting to almost 10 billion forints, and the efficient employment of its 3,500 employees require efficient state intervention. Several officials promised action at the end of last year, but the necessary decision has not yet been made. How long will it take?

[Banyasz] At its meeting today the government dealt with the situation of the Nitrogen Works at Pet. [passage omitted]

In the second half of 1987, the Industry Ministry, the Finance Ministry, the National Planning Office, and the Economic Supervision Committee repeatedly dealt with the possibilities of solving this problem. Liquidation cannot be considered, since it plays a decisive role in supplying Hungarian agriculture with artificial fertilizers and its convertible currency exports are significant; besides, finding employment for the released manpower would cause great problems.

At the same time, however, it is clear that this large-scale enterprise is no longer able to repay its debts and operate profitably on its own, without state measures. A lasting arrangement is definitely necessary and justified. At its

meeting today the government decided to begin state rehabilitation of the enterprise. The industry, trade, and finance ministers, as well as the chairman of the National Planning Office will prepare a preliminary concept within a month, and then the necessary measures will be carried out within 3 months. [passage omitted]

## Guidelines on Pay for Technical Staff Issued

*AU011420 Budapest NEPSZAVA in Hungarian 29 Jan 88 p 7*

["The Joint Government-TU Guidelines on the Financial and Moral Appreciation of the Creative Technical Intelligentsia"]

[Text] Nowadays, when social and economic development has accelerated, science is playing an increasing role in accelerating the pace of this social and economic development. In this process, the responsibility and performance of the creative intelligentsia are decisive. Directly or indirectly, each stratum of the intelligentsia contributes to this development. University graduates in technological, agricultural, and natural sciences (to be called technical intelligentsia) are most directly involved in carrying out tasks related to technical progress, and they do so in increasing numbers and with increasing professional skill. The economic changes that have taken place in the last 1 and 1/2 decades and the challenges encountered on the world market have made into a key issue of our development the effectiveness with which the intelligentsia involved in the real processes of society serves our goals.

Unacceptable differences have emerged between the wages of the intelligentsia and those of workers employed in other areas of the people's economy. Since highly qualified work is not valued as much, a considerable number of creative and enterprising intelligentsia have found other, professionally undemanding jobs that pay well. The problems arising from this state of affairs have had the biggest impact on the sphere of the technical intelligentsia. As a result of inadequate incentives, the creative readiness of the technical intelligentsia employed in productive areas decreased considerably, and the social prestige of the jobs in question also decreased considerably. As a result, the ability and readiness of the people who seek these jobs are increasingly falling short of requirements.

Analyzing the situation of the scientific and technical development, as well as the moral and financial appreciation of the technical intelligentsia, the trade unions and the state organizations have initiated an improvement in the financial and moral appreciation of people employed in the intellectual sphere of activity. This is an important condition for laying the foundations also from the viewpoint of incentives for the goals of the government program adopted by the National Assembly: "to accelerate the development of internationally competitive production styles and to support the development of areas that have a chance and prospects of real adjustment to the requirements of our age."

By eliminating the compulsory regulations concerning the limits of various wage elements, the recently published regulations that contain the changes in the components of the basic wage system make it possible to remunerate innovative activity better than before.

The government and the National Trade Union Council [SZOT] call the attention of the heads of state and economic bodies and of the leading bodies and officials of the public organs to support and initiate the improvement in the moral and financial appreciation of the technical intelligentsia, which carries out efficient creative work, plays a leading role in innovations, and uses its skills for the benefit of social goals; to support and initiate this improvement by making use of the possibilities inherent in the regulations.

By making differentiated use of the enterprise and cooperative resources available for wage increases, it is expedient to increase the financial appreciation of the creative technical intelligentsia by the end of 1990 with a wage increase that exceeds the average increase in wages by 40%.

The government intends to improve the financial appreciation of technical intelligentsia employed in large numbers in state institutions by means of central wage policy measures in the remaining years of the Seventh 5-Year Plan. The government will provide support already in the course of 1988 to some institutions for increasing the basic wages of their creative technical intelligentsia and will also generally increase the starting basic wage of intellectuals at the beginning of their career.

Introduction of the new titles of main technical advisor and technical advisor will also contribute to the financial and moral appreciation of research and development activities. These titles are also accompanied by outstanding financial appreciation. In addition, and on the basis of the favorable experiences of some enterprises, the Council of Ministers and the SZOT propose that the enterprises introduce a "technical creativity prize" that will serve as appreciation for efficient technical personnel.

These new forms of financial and moral appreciation can fulfill their task only if the economic organizations make better and more thorough use of their potential than hitherto. More attention must be paid to employing technical intelligentsia according to their professional training in the future.

In preparing leadership decisions, the scientific and professional experience of the technical intelligentsia should be used more frequently and better than hitherto. Adequate remuneration that—in harmony with the

spirit of regulations—increasingly encourages the acceleration of technological development, an increase in professional training, and efficient intellectual work that creates values, is an indispensable condition for the development of the economic organizations' system of internal interests.

The government and the SZOT call upon the press, radio and television to look for an increasing number of examples and possibilities of presenting and popularizing the achievements of technical activity and those who create these achievements in order to change the order of social values.

## Improving Export Capacities in Economy Needed

*LD020932 Budapest MTI in English*
*0905 GMT 2 Feb 88*

[Text] Budapest, February 2 (MTI)—The further development of the Hungarian economy calls for the improvement of export capacities. Since two years a competitive system has been in effect for companies upgrading their production structure and increasing imports. Until now 425 companies have assumed the stipulated obligations and received different preferences, including lower interest rates, tax deductions and accelerated machinery import licences. At the same time, the competing firms have produced an additional 500 million dollars in exports.

The export-fostering competitive scheme has its precedents. In the years between 1976-80 companies which promised substantial expansion of exports through efficient investments with rapid rates of return received a total of 45,000 million forints of credit on easier terms. The result was 1,000 million dollars of additional exports in 1981. In the period 1981-85 the National Bank of Hungary allotted 8,000-10,000 million forints of credits for investments in export expanding fields. In this period the Hungarian foreign trade balance showed a surplus each year and the extra export revenues amounted to 2,500 million dollars in five years. One-fifth of the export incomes was the result of export-promoting investments.

The new competitive scheme goes beyond the frames of the previous credit arrangements. Its declared goal is to promote a more efficient production structure, in addition to export increases. The ministries judging the competition works, take greater care than before so that support is only given to efficient production and export. It is a basic condition that the investments should pay back within five years. Successful bidders receive credits at preferential interest rates, state loans and profit tax deductions. As compared to other companies, they have easier access to import licences and are granted leasing advantages. The preferences have to be repaid if the companies fail to meet the additional export plans defined in the agreement.

The hitherto balance of the scheme is positive. According to experts, the majority of the competitors undertook technical development, started the manufacturing of new goods or are prepared to introduce new products. The Hungarian cooling industry carried out large-scale technical developments and purchased new machinery. At the greatest Hungarian chemical plant, the Tisza chemical combine of the Leninvaros, a new polypropylene plant is being installed at a cost of 71 million DM and in return for the promised additional exports they receive import licences faster and are able to finish the investment sooner. Several small ventures and cooperatives filed successful applications and are in a position to change over to new products in a shorter time than the giants.

The majority of Hungarian companies, mainly because of the limited availability of hard currency are confined between narrow limits in investments and import. The priority treatment of manufacturers of up-to-date efficient products is one step in the direction of changing the production structure. The advance programme of the government promises more space for manoeuvre and independence for the companies in the long run, but the increasing risks involve a greater possibility for failure.

## Further on Official Price Increases

### Ministers Discuss Increases

*LD012328 Warsaw Television Service in Polish 1830 GMT 31 Jan 88*

[Studio discussion program presented by journalists Adam Bronikowski and Szczawinski with Bazyli Samojlik, minister of finance; Janusz Pawlowski, minister of labor, wages and social affairs; and Jerzy Bilip, minister of industry—live or recorded; date not given]

[Text] [Bronikowski] Ladies and Gentlemen, questions have been coming into the television and radio studio since yesterday. Yesterday, and really last night, in the television studio we answered many questions. However, as there are many questions—more are coming in today—we have asked three ministers to come to the television news studio. The first question is for Mr Samojlik, the minister of finance. Many television viewers, almost as if complaining, ask: Why were so few examples of prices given in the communique, in the illustrations, which we showed? Why so few?

[Samojlik] Mr Editor, the lists of official prices and retail prices are completely open, and there is nothing to keep the whole price list from being shown, except this is not possible on television, for technical reasons. Starting tomorrow, the press communique will contain very detailed information on basic retail prices. But, speaking frankly, in this communique we concentrated on two price groups: First, the official retail prices of basic consumer articles, those purchased daily by most households, and official prices of articles widely understood to be agricultural, thus, contract purchase prices, which are being introduced as of 1 February, and the new prices of the means of agricultural production, which also are being introduced as of 1 February. We consider these to be the most important items for households and agricultural producers.

[Bronikowski] It is quite obvious, Mr Minister, that those are examples. The fundamental matter, going back to the telephones, is: What are all the rises for if the increase in incomes is supposed to ensure the maintenance of the real value of earnings, wages, and welfare benefits?

[Samojlik] The principle of maintaining the real value of incomes is fundamental. Its origin must be sought in the resolution on the national socioeconomic plan for this 5-year period. When we were working on the 5-year plan a discussion went on for probably 2 years on how and in what proportions to define the division of the national income in the whole 5-year period, how to define the proportions. As is known, there is a rivalry between the aims, the current and the developmental aims. Minister Bilip, who is here in the studio, knows how important the matter of the modernization of industry and its development is, and means are needed for modernization and development. There are also extremely important current aims, which are linked to the people's living conditions, daily, weekly, monthly living conditions.

In association with this, we have taken up the principle that, regardless of the price policy we pursue during this 5-year period, we will guide ourselves with the basic, fundamental directive resolution of the national socioeconomic plan that the level of real wages must be maintained. It is not subject to reduction. So, we are allocating so much of the national income to development aims as not to reduce the level of real wages in this 5-year period. Of course, in calculating the real wage we use the principle, also contained in the Sejm resolution, that we do not take account therein of the results of the changes in prices of alcohol and tobacco. On the other hand, the aims of the price reform, the aims of the price policy in this 5-year period, are a very difficult and wide-ranging topic.

I would like to indicate some of the most significant matters. First, the program of the price policy for 1988 is the first year of the implementation of the 3-year price policy for the years 1988-90. This year, we have concentrated three-fourths if not three-fifths of the changes in the pricing structure and the level of prices for the 3-year period. Because of this, we see significant, such marked increases in many retail prices. Under this program 1988 is the first year of a 3-year price policy guided by the principle of maintaining the stability of real wages during the entire 3-year period [sentence as heard].

Of course, prices are an integral element of the implementation program for the second stage of the economic reform. I would also say that prices are the ball bearings, or the ball bearings of the economic machine. Without them the economic machine cannot function properly, and it is difficult to talk about the principle of self-financing or the independence of enterprises without proper prices. In association with this, so many changes, such significant changes, are being introduced in the area of supply prices, and also in the area of that which relates to accounts between enterprises, that which determines the directions of production, the profitability of production, its efficiency. Of course, changes in the prices of coal, coke, copper, and aluminum, bring with them changes in the prices of many other raw materials and resources. They also bring changes in retail prices, changes in the prices of the means of production. Also indispensible are some assurance of the profitability of agricultural production, an adjustment of procurement prices, the prices of the means of agricultural production, and an adjustment of goals of the agricultural policy of the state for this 3-year period. In relation to households, a very important element is the creation of a system of prices that encourages the household to save, encourages them to save raw materials, energy, and gas. This also encourages the economical usage of all that is acquired, that is bought.

[Bronikowski] These are matters laid out for many months, many years; but the questions we have received—people ask: What is for today, what is for tomorrow? A question above all for Minister Pawlowski, minister of labor, wages and social affairs: When will this Z6,000 increase reach the pockets of workforces, when will it reach the workers?

[Pawlowski] Well, exactly. As we know from the communique, work enterprises have been authorized to increase starting 1 February the remuneration for every employee in the enterprise by Z6,000. This also relates to the budgetary sphere, one of the budgetary [word indistinct]. Over and above this, it is simply a question of the enterprise, a question of the management of this enterprise, of when they will in fact prepare the payment. But one thing is certain: The workforces should absolutely know, they should be informed when this will be carried out. There are a number of technical questions as well. But I feel that it can be even tomorrow, and I have...

[Samojlik, interrupting] I have received signals from the directors of enterprises that they will do this tomorrow or some time this week. Certain enterprises will add this payment to awards from profits or to the first payment for employees, that is, around the 10th. But most will pay it this week.

[Pawlowski] Well, exactly, it can be seen that is possible for those who want.

[Bronikowski] So, we have, then, clarified the question of what is for today and what is for tomorrow.

[Pawlowski] Yes, but I would just like to add here that there appear to be doubts as to what to do with part-timers. Of course, they get the increase in remuneration in proportion to the amount of time they work. Also, if we have to deal with a re-employed retiree, then regardless of the fact that the retiree receives an allowance, completely from another system, it is appropriate to treat him also as a worker in the given enterprise, with respect to this increase that all workers in the work enterprise receive.

[Bronikowski] Well, this Z6,000 is not everything, Minister. I address this to Minister Bilip. Will all enterprises be able to allow themselves this greater increase of wages, increase of profits?

[Szczawinski] Another fundamental question, as there are also such signals coming by phone: Will all enterprises have the resources for this Z6,000, as this is a [word indistinct] problem?

[Bilip] Undoubtedly, one needs to be an optimist, as the enormous majority or all will have the resources. I start from such an assumption. One must recall 1987. As the communique of the Main Statistical Office [GUS] says, we fulfilled the central annual plan in industry better than other branches of the national economy, and, after all, in the first quarter we had a severe winter. On 1 January there was a blockade of hard currency allocations and a transfer to asset accounts [konta majatkowe], which in spite of everything caused confusion in the economy, and the fourth quarter had excellent results compared to previous years. In consequence of this, if we were just to work as in the fourth quarter there would be no reason to be worried about the results for 1988.

I wish to add—this also must be said: For 30 days of this year there was not a single cut or limitation of power or gas. Everything, industry, is working normally, correctly, has been for all of January. Hard currency resources for government orders have been mobilized. All three of the ministers who at the moment have these resources at their disposal—the minister of domestic trade and services, the minister of agriculture, and the minister of health and social welfare—they have put them in motion. The letters of credit at the banks have been granted.

The minister of foreign trade has mobilized hard currency resources for central imports. So there is no cause to complain. Moreover, the ROD's [hard currency allocation accounts: Rachunki Odpisow Dewizowych] are operating—normally, in accounts—the hard currency allocation accounts have been functioning, operating normally since the January. The letters of credit are being granted. I consider that these factors are sufficient to enable industry to work normally. There is a certain difficulty: Namely, in 1988 everything—something the enterprises were not entirely used to—is not being obtained for nothing. There are no subsidies; there are contracts. (?Also), one can buy hard currency; the resources for hard currency purchases are greater.

[Bronikowski] That means, at the export development bank.

[Bilip] There are possibilities for taking credits. But all this obliges the enterprises to sign contracts. It will be necessary to learn how to do this. Those who have not yet been independent counted on subsidies...

[Bronikowski, interrupting] Meaning that you would help them out, right?

[Bilip] Yes, they must stop counting on...

[Bronikowski] But you will not help out already.

[Bilip] I shall not be able to help. Nonetheless, wherever—within the framework of the system [systemowo]—there are any kind of uncertainties, then we shall, as the ministry, intervene (?in order to) help the enterprises. But I consider that these causes will bring about normal work by the enterprises.

[Bronikowski] Excuse me, when we speak of the very good results achieved last year by industry, of the large rise in production especially in the precision industry

and electrical engineering—well, not always, surely; and no doubt the viewer will be asking the question: OK, fine, but why, for example, are there difficulties in the stores with acquiring such items as TV sets? When will these good evaluations, good results in the enterprises, in industry as a whole, be reflected on the store shelves?

[Bilip] Mr Editor, the market is insatiable. If I were to tell you that an extra 100 thousand TV sets—more than 100 thousand TV sets—will be put on the market by industry next year—sorry, this year—would this satisfy people? Certainly not; for the market is so profoundly insatiable at the moment, that you would need 300 thousand in order to satisfy this market in a single year. Yet this growth will begin in the current year and will be considerable. The same goes for the pharmaceuticals industry, and other branches of industry. Industry for agriculture. There will be a range of positive phenomena, which will not entirely solve the matter; but they will definitely initiate an (?improvement).

[Pawlowski] I would like to add here that, undoubtedly, a factor that reinforces what is going to happen beyond the Z6,000 is labor organization in the enterprise. This is what we call good, honest work. I always put it this way: Work as if you were working for yourself, because you are simply working for yourself. I repeat it to everyone and I think that if these supply conditions are created, then it will be possible for enterprises, within the system, as has been recorded in the central annual plan with regard to the creation of means of wages, to increase wages considerably. There are no barriers whatsoever here. There is simply a barrier of overcoming organizational stagnation here, and then one can move forward.

[Bronikowski] However, I am returning to the questions we were getting yesterday and which we are getting today. One of the questions is addressed to Minister Samojlik, a question very often repeated. The question concerns negotiated prices. Is the ministry capable of controlling these prices? We have hundreds of thousands of such negotiated prices. Is the ministry capable to control them? TV viewers often doubt the effectiveness, minister, of the ministry's control.

[Szczawinski] Well, exactly. Will it be possible to halt this upward movement and somehow limit the upward movement of negotiated prices?

[Samojlik] A guarantee and certainty exist only with regard to the part of prices we have declared as official prices. The majority of basic foodstuffs whose prices will be changed as of tomorrow are covered by official prices. At the same time, we announce that there will be no further changes in the official prices in 1988, except the ones we shall announce tomorrow in the communique. Thus, there is a guarantee that there will be no further rises. But this is only half the market supplies of goods and services. It is true that every other zloty is spent by the consumer on goods sold at negotiated prices, and these negotiated markets are very diversified. There are markets that do not require any price control at all. They are becoming larger and larger, and we hope that they will grow in 1988. Consequently, there is no need for any government interference in the way these prices are determined. Producers in agreement with the trade sector can determine prices freely. Provided consumers are willing to pay for these articles, this settles the issue. However, despite everything, a great majority of prices of consumer goods, particularly, industrial goods, are far from an equilibrium. Abiding by the principle of maintaining the real level of wages, or not lowering it, in 1988, we have declared a certain ceiling, or indicator, for an increase in these prices.

Our joint task, not only a government's task, but also a task for the trade unions, is to apply various means of controlling these prices. Of course, I would call this control a necessary evil. In a way, we control the level of real wages, but on the other hand we create many negative phenomena in production through the control system.

Even in terms of the limited effectiveness in which it exists at the moment. At any rate, we have very considerably broadened the mildest and, it would seem, most sensible instrument of control, namely, the obligation to inform the treasury chambers of an intention to raise prices.

This has a strong effect on the enterprise. This obliges them to reveal their intentions in relation to the price policy. In this sphere we shall also apply price thresholds, that is, a ban on raising the prices of goods, products above, for example, the index for food items, apart from official prices, of 25%. According to our assessment, nonofficial prices of food items in 1988 ought not to rise more than 25%. Furthermore, after the conclusion of the first half of the year, (?what we have implemented) each month, after the conclusion of the first half of the year, in conjunction with the trade unions, with the unions of farmers, we shall carry out a comprehensive assessment. We shall assess what is going on both on the incomes side and prices side.

[Bronikowski] One more question: I must also return to the things being submitted, namely, there were a great many questions from retirees and people on disability. For, after all, we have 6 million people in this category.

[Pawlowski] Of course the principle that was presented here by the minister of finance concerning the maintenance of the real level of pay also concerns the real level of benefits. This is surely obvious, and we ought to return to this theme as soon as possible, in order simply to discuss this matter. I believe also that the budgetary sphere [sfera budzetowa] has additional possibilities, because those statutory increases in wages for teachers arising from the teacher's charter—or that of university employees—will, of course, be implemented in their own time, regardless of the fact that as of February they will also all get the Z6,000 pay rise, which is universal.

[Bronikowski] Thank you, gentlemen. Thank you very much.

### World Bank Recommendations

*LD011825 Warsaw PAP in English*
*1619 GMT 1 Feb 88*

[Text] Warsaw, Feb. 1—The price rises and the measures to compensate them, put into effect as of today, belong to the elements of the comprehensive economic reform. Their aim is to marshal prices, to curb state subsidies and to increase the market balance, these objectives being convergent with the recommendations of the World Bank experts.

It is worth recalling that Poland was re-admitted to the World Bank in mid-1985. During the next dozen or so months, several fact-finding missions of the bank were visiting Poland. Members of the missions collected and analysed a great number of statistical data. The studies resulted in a 1,000-page report published in August 1987.

In the report, the World Bank says that although the Polish economic system has still to cover a long road to reach the goals assumed in 1981, numerous important measures were undertaken or proposed of late. These include such steps as considerable limitations within the central distribution system, elimination of uneconomic enterprises, wider application of indices of world prices.

The report stresses that the reform cannot be successful without the market equilibrium. Thus, priority has been given to moves aimed at reaching this equilibrium such as raising the prices to a level which would balance supply and demand, lowered and more precisely defined subsidies and further reduction of the central distribution system. Further on, the report finds it encouraging that the reform package pays particular attention to the ways of developing export and controlling the demand of the domestic market.

What is characteristic, is the World Bank's statement that both the main points of the reform's 2nd stage and the report were written at the same time, though, obviously enough, independently of each other. However, they reflect very similar assessments of the situation and the policy priorities.

### National Bank Announces Interest Rate Increases

*LD311555 Warsaw Domestic Service in Polish*
*1500 GMT 31 Jan 88*

[Text] The Polish National Bank informs that, in accordance with the Sejm resolution on the matter of monetary and credit policy, starting from this year the banks will apply a variable percentage interest rate on the savings investments of the populace taking into account the annual indices of price changes. The general guideline is that the percentage on term investments will assure their real value. The percentage interest rate on other forms of savings will be shaped in appropriate relative terms.

So this year, the interest rate on 3-year term investments, local government investment bonds, revaluation bonds, as well as 3-year deposit savings bonds rise to 30% .

The percentage interest rate on investments of systematic saving and 2-year deposit saving bonds rises to 28%.

The interest rate on investment on named savings books rises to 21%.

The interest according to the new increased interest rates will be automatically added to investment savings without any activities or efforts by citizens.

## Solidarity on Reaction to Price Increases

### Spokesman Comments

*LD011559 Hamburg DPA in German*
*1520 GMT 1 Feb 88*

[Excerpts] Warsaw (DPA)—After the drastic raising of retail prices in Poland, the leadership of the banned trade union Solidarity does not reckon unrest and outbreaks of discontent among the population. The spokesman for Solidarity, Janusz Onyszkiewicz, said today, "the extent of bitterness and frustration is constantly rising but has not yet reached the boiling point." At first people tried to compensate for the price hikes by demanding increased wages. [passage omitted]

According to a survey of several large factories, people have been working normally today. [passage omitted]

### Cautioned by Officials

*LD012139 Hamburg DPA in German*
*2108 GMT 1 Feb 88*

[Text] Warsaw (DPA)—Leading representatives of the trade union Solidarity which is banned in Poland, have today been cautioned by the State Prosecutor's Office. As was learned from opposition circles today the head of Solidarity in Warsaw, Zbigniew Bujak, was warned against attempts to disturb public order in view of the drastic price increases. The union leadership had yesterday resolved a protest statement and called on the government to rescind the price increases.

Also warned today were Stanislaw Weglorz from Lublin and Janusz Palubicki from Poznan. The Solidarity spokesman, Janusz Onyszkiewicz, the advisor Tadeusz Mazowiecki and the human rights activist Jacek Kuron are to report to the authorities tomorrow. The price increases, which for the most part came into force today

will raise the rate of inflation in Poland to 40%. According to Solidarity's estimates there were apparently no protests in Poland today against the price increases.

### Walesa Interviewed

*AU021105 Paris AFP in English*
*1100 GMT 2 Feb 88*

[Text] Warsaw, Feb 2 (AFP)—Solidarity is ready to lead the workers' protest movement against the new price rises, the leader of the banned trade union, Lech Walesa, told AFP in an interview on arriving here on Tuesday.

The Nobel peace prize winner had come from his home town, the northern port of Gdansk, for a meeting with U.S. Deputy Secretary of State John Whitehead.

"Solidarity's leadership has not issued any instructions (for strikes or demonstrations) but it is at the workers' disposal and if they want to protest, it is ready to lead their movement", he said.

He confirmed reports that the atmosphere in the Gdansk shipyards was tense and that units of Zomos (anti-riot police) had surrounded the yards and were patrolling the town.

"The workers are counting their zlotys and most of them have come to the conclusion that from now on, they will not be able to make ends meet", Mr. Walesa said.

But he warned the authorities that the workers would choose their own time to demand that the government justify all the economic and political reforms which have been introduced since the beginning of the year, and they would not do so until the Zomos had returned to their barracks.

The rises implemented on Monday were the most comprehensive revision of prices in Poland's postwar history. Basic foodstuffs and tobacco went up by an average of 40 per cent and public transport, post and telephones by 50 per cent.

Mr. Walesa was due to be Mr. Whitehead's guest at a lunch at the residence of the U.S. charge d'affaires, John R. Davis.

### Radio Free Europe 'Unrest' Reports Criticized

*LD011531 Warsaw PAP in English*
*1505 GMT 1 Feb 88*

[Text] Warsaw, Feb. 1 (PAP)—Price hikes in Poland were received with resignation but also with understanding that they constitute an indispensable element of the difficult and painful process of reforms. Today, work in Poland is proceeding peacefully but this very fact seems to evoke deep dissatisfaction of those who would want the process of reforming the economy to be accompanied by social unrest. Certain Western broadcasting stations, including American Radio Free Europe, quoting specific Polish sources attempt to suggest that strike readiness has allegedly been announced in certain Warsaw and Gdansk work establishments. This is not a new trick, it has been used for years and this method of information provocation aimed at Poland was discredited on many occasions in the past.

At present, such actions are received in Poland with even greater regret since U.S. Deputy Secretary of State John C. Whitehead, currently in Poland, expressed, in the presence of journalists in Kracow, satisfaction with the end of jamming by Poland of broadcasts by the Voice of America and Radio Free Europe. We are very pleased with this fact, the American politician said. This is a significant step forward in mutual relations.... We hope, Whitehead continued, that there will be no false or improper information which could offend the Polish side.

### Demonstrators Arrested at Romanian Embassy

*LD011439 Hamburg DPA in German*
*1415 GMT 1 Feb 88*

[Text] Warsaw (DPA)—More than a dozen people were arrested today in Warsaw by police at a demonstration in front of the Romanian Embassy. They wanted to show their "solidarity with the Romanian nation." Hours before, the embassy compound was sealed off by uniformed and plain-clothes police, who checked passersby's papers.

The demonstration had been organized by the illegal Polish Socialist Party (PPS), founded a few months ago, and follows an appeal by the Czechoslovak "Charter 77." The struggle by the Romanian people for "basic human rights and freedom" was thus to be supported. Some hundreds of metres away from the demonstration, the head of the banned Solidarity trade union in Warsaw, Zbigniew Bujak, and the well-known human rights activist, Jan Jozef Lipski, were led away by police.

### Further on Arrests

*LD011718 Hamburg DPA in German*
*1623 GMT 1 Feb 88*

[Text] Warsaw (DPA)—Around 50 people have been arrested during a demonstration in front of the Romanian Embassy in Warsaw. They had wanted to demonstrate their "Solidarity with the Romanian nation".

As the demonstrators ran toward the embassy building from various directions, they were immediately overwhelmed by a large police presence. Banners read, "Solidarity With the Workers of Brasov" where there were violent protests last November against the regime of head of state and party Nicolae Ceausescu.

In observing the events the correspondent for Second German Television (ZDF) together with her team were temporarily taken into custody. Her film was confiscated. The Reuter correspondent and a photographer were

also led away. Two participants from the demonstration who wanted to hand over a letter demanding a stop to repression in Romania were turned back on the grounds that the embassy was closed. The demonstration was organized by the illegal Polish Socialist Party (PSSR) which was founded a few months ago and followed an appeal by the Czechoslovak "Charter 77".

## Tourism Statistics, Simplified Passport Rules

*AU011342 Warsaw TRYBUNA LUDU in Polish 28 Jan 88 p 7*

[Report signed 'Z.Z.': "About Passports and Simplified Customs Regulations"]

[Text] Which foreign countries did we visit last year? How many passports were issued? Did anything interesting occur at border crossings? Are any changes concerning foreign trips envisaged? These matters were the subject of a 27 January press conference given to journalists by Zygfryd Widz, representing the Passport Office of the Ministry of Internal Affairs; Jerzy Wacowski, representing the Ministry of Finance; and Jerzy Lewandowski, representing the Main Customs Office.

They said that in 1987 over 5,246,000 Poles made foreign trips, 21.3% more than last year. Of these, 4,100,100 went to the socialist countries. The GDR and CSSR received the largest number of visitors—over 1 million each.

A total of 1,146,000 people went to the capitalist countries. Most of them visited Greece (110,000 people), Italy (70,000), France (63,000), and Turkey (also 63,000). Compared with 1986, trips to Western countries increased by 18.6%, except to the United States, which was visited by 10% fewer people.

It is worth noting that the total number of people who made foreign trips included 1,227,000 on official trips, and 30,000 taking part in sporting events, which leaves a figure of 3,922,000 persons who visited foreign countries for tourist or private purposes. Almost 17,000 people left Poland for good (10,500 did so in 1986).

In 1987 passport offices received over 3,713,000 passport applications. Refusals were received by 89,776 applicants. In percentage terms, the situation is as follows. Of those who applied for passports to visit a capitalist country, 5/

did not obtain one, and of those who applied for passports to visit a socialist country, 0.46/

did not obtain one. We may add that 51,000 people applied for emigration papers, and half of them were granted permission to emigrate.

The number of people keeping their passports at home, valid only for the socialist countries, increased by 1,610,000. Almost 3,300,000 such passports have been issued since 1984. They are valid for 10 years. What is important is that in order to obtain such a passport, it is enough to submit a shortened application, which does not need to be certified by one's employer. All that is needed is the appropriate stamp in one's identity card.

Simplified procedures concerning consular passports have already been in force for several months. Penalties are no longer imposed on persons who extend their stay abroad without permission in order to take up employment there. Endorsements in these passports giving permission to enter Poland are no longer required.

We have been informed that the Passport Office of the Ministry of Internal Affairs is preparing to dispense with the requirement that persons in Poland wishing to visit persons abroad have to have an invitation from the person abroad. For the time being, one invitation from abroad for one or more persons is sufficient. In addition, aliens permanently resident in Poland may invite their Polish friends to their country of origin.

This year will also see the start of activity that will lead to the issue of passports which are valid for all countries in the world and can be kept at home. The date of this "operation" depends on when a computerized system of population records becomes operative. The Warsaw Office of Internal Affairs will be one of the first offices to have the necessary equipment at its disposal.

Jerzy Lewandowski, representing the Main Customs Office, said that the office is striving to improve customs clearance at border crossings and make it faster—hence the aim to eliminate formalities that are not absolutely essential. For example, the formality of stamping foreign currency passbooks has been discontinued since November. The Ministry of Finance is also considering dispensing with the requirement that people returning from abroad have to declare their foreign currency.

While on the subject of new plans, there is a plan to increase the duty-free allowance for souvenirs taken out of Poland. At present the allowance is only Z2,000. It is also planned to increase the allowance for souvenirs brought into Poland, this allowance currently amounting to Z10,000.

## Government Presidium Session 25 Jan

*AU291110 Warsaw TRYBUNA LUDU in Polish 26 Jan 88 pp 1, 3*

[Text] PAP—The Government Press Bureau reports that on 25 January the Government Presidium studied a report on Poland's demographic situation.

The report, which was drawn up by the government commission for coordinating ministerial activities in connection with demographic policy, evaluates the 1986 demographic situation and includes a preliminary analysis of the first 11 months of 1987.

Poland's demographic situation in 1986 was characterized by a further distinct slowing down of the rate of the increase in the size of our population, which numbered 37,571,800 persons on 31 December 1986, that is, 231,300 persons more than on 31 December 1985. This means that the rate of natural increase was the lowest since 1984 and amounted to 6.2 per 1,000 persons. The data for 1987 shows that this decreasing trend continues to intensify. The main reason for this situation is the drop in the number of new births. One reason for this drop is the unfavorable changes in the demographic structure of women.

Positive demographic features include the fact a man's average lifespan has increased by 0.26 of a year to 66.8 years, and a woman's average lifespan by 0.32 of a year to 75.1 years. The large difference between these two lifespan has been caused by the fact that the death rate among men continues to be very high in Poland.

In 1986 the death rate of infants, children, and youths dropped by 6% as a result of improvements in hygienic facilities and in health precautions.

The trend toward a higher death rate has been halted. This rate has reached the index of 10.1 per 1,000 inhabitants, which was the case in the fifties. The main reasons for deaths are illnesses associated with modern civilization: diseases of the circulatory system and cancer. The large number of illnesses of the digestive system as a result of many cases of poisonous food continues to persist. The country's situation with regard to epidemics continues to call for caution and effective countermeasures, but the situation with regard to combating infectious diseases was much better in 1986 than it was in 1985.

In 1986 the trend toward a decreasing movement of the population continued to persist, but more people moved from rural areas to townships. That is why the the urban population accounted for 60.5% of Poland's overall population.

The Government Presidium instructed the appropriate bodies and institutions to submit proposals with a view to preventing cancerous diseases, to developing the pharmaceutical industries, the primary production of which should include drugs against diseases caused by modern civilization, and to combating the causes of the excessive death rate among men of production age.

These proposals will be used as foundations for various projects, including the long-term investment program for the construction of hospital facilities and social care homes.

The Government Presidium acquainted itself with information provided by the finance minister concerning the implementation of the Council of Ministers' directive on taxation levels on supernumerary pay and the principles to be employed in establishing pay levels that are not subject to taxation. In accordance with the provisions of the Central Annual Plan, the 500% level of taxation on pay increases that exceed 12% will be abolished.

According to the new directive, socialized sector enterprises will apply the principle of taxation on individual earnings on a universal basis, and set ceilings to a limited degree.

In applying the principle of taxation on individual earnings, the level of earnings that is not subject to taxation will amount to 60% of average earnings for 1987. This amount will be increased to take account of compensatory allowances and the indexation of the lowest wages. In addition, there will be allowances for income derived from exports and innovation.

The ceiling principle will be applied in the case of public service units and in the case of units in which it is not appropriate or possible to link wage increases to economic performance. To apply this principle, enterprises will have to obtain the agreement of the finance minister.

The Government Presidium accepted a proposal, submitted by the finance minister, concerning—in line with the OPZZ proposal—changes to the principles governing the financial administration of state enterprises that permit the payment of bonuses out of profits obtained during 1987, before accounts were verified.

The Government Presidium acquainted itself with information on a list of the total amount of powers enjoyed by the Council of Ministers on the basis of current legislation.

The examination of more than 1,300 powers that has been conducted reveals that, under the present model for administering the state, the extent to which powers are concentrated is excessive and does not completely suit the functions of government that are being developed as a result of reforms. It imposes limitations on the administrative and decisionmaking autonomy exercised by other important organs of the state administration. The regulations that are in force are still very much the basis for the operation of a command system, and penetrate into every aspect of socioeconomic life to too great a degree.

As a result of the review, there are plans to abolish some of the Council of Ministers' powers.

The changes in the operation of the administrative center envisaged by the second stage of the economic reform have resulted in a fundamental structural and functional reorganization of central offices and institutions. The center's new tasks call for changes in the

operation of the Council of Ministers. Consequently, work is being conducted on clearly defining the powers of the government and decenetralizing some of these powers by transferring them to other important organs of the state administration. According to the principle that has been adopted, existing governmental powers pertaining to the operation and work of ministries, central institutions, and organs of the regional administration ought to be transferred to these bodies. This will make it possible to simplify decisionmaking process and will result in a clear definition of responsibility that is in keeping with the new administrative model. It is planned that the Council of Ministers' work will cover matters of fundamental political and socioeconomic importance and that it will provide guidelines for the work of central organs of the state administration.

## 26 Jan Politburo Session Communique

*AU011505 Warsaw TRYBUNA LUDU in Polish 28 Jan 88 pp 1, 2*

[PAP report: "PZPR Central Committee Politburo Session Communique"]

[Text] On 26 January the PZPR Central Committee Politburo acquainted itself with progress in implementing the second stage of the economic reform, a process that was begun during the final quarter of 1987, and with proposals concerning its implementation in the near future. The Politburo decided that the tasks contained in the program that has been submitted to the Sejm are being realized by the government on schedule and in line with the goals that have been set. At the present time there are no delays in work on the preparation of supplementary provisions and amendments that take account of the outcome of the referendum.

During the first stage of the reform the emphasis was on legislation and decisions that ought to promote manufacturing activity and result in an increase in the supply of goods to the marketplace and the production of goods for export.

The Council of Ministers Committee for the Implementation of the Economic Reform is systematically examining the way in which changes are proceeding and the extent to which the solutions that have been proposed are in keeping with the general directions of the second stage of the reform. The committee issues a monthly communique on the accomplishment of tasks covered by the program.

There has been a fundamental reorganization of central state administrative institutions. The changes that have been introduced are not just organizational. There has, above all, been a fundamental change in the function of state organs, including important curtailments in the powers of parent bodies. This is synonymous with an expansion of real enterprise autonomy.

This is also being aided by a radical reduction (of about 1,000) in the number of enterprises that are included in the group of economic units that are deemed of fundamental importance for the national economy. Enterprises are also being placed under the supervision of regional administrative organs.

Among the other important tasks that have been accomplished over the last 3 months are:

—Changes in the materials and technical supply system. These include a basic reduction in intermediary activity and a significant expansion of unregulated traffic in goods. This also serves to increase the role of economic mechanisms in directing supply and makes it possible to eliminate unnecessary intermediary agencies. Enterprise self-financing with respect to foreign currency is increasing thanks to a reduction in imports paid for out of central funds and the introduction of competitive tendering that gives enterprises greater access to foreign currency;

—Improvements in the organization of the system of government tenders. One such improvement is that those who now have foreign currency are the recipients of goods produced under tender and not, as has been the case until now, the producers of such goods;

—The creation of a fund for structural changes in industry, which will begin to finance high-efficiency changes in the structure of production during the first quarter of 1988;

—The formulation of amendments to the law on plant wage systems in agreement with the trade unions. This will increase enterprise independence with respect to wage policy;

—Consultations with trade unions on the subject of new pay principles for directors that will link pay levels to an enterprise's financial performance;

—The preparation of a system for assessing enterprises in which financial performance is the basic yardstick;

—The formulation of a draft law that will permit enterprises to issue bonds. It is planned that citizens will be able to acquire such bonds;

—In striving to promote economic initiative, the Council of Ministers has adopted a resolution on expanding franchise activity. Franchise activity will be possible in all branches of the economy. The resolution will come into force at the beginning of the second quarter of 1988;

—Amendments have been introduced to legal regulations facilitating the expansion of the farming out system.

The Politburo stressed its firm resolve to fully implement the program for the second stage of the reform and the need to rapidly apply the solutions that have been adopted. The Politburo recommended speeding up work wherever this is justified and possible.

The Politburo deemed it appropriate that the chairman of the Council of Ministers Planning Commission submit extensive information on the current and future course of the implementation of the program for the second stage of the reform as quickly as possible. The reason for this is insufficient public knowledge about the issues involved.

The Politburo stressed the great influence of the managerial cadre on the successful application and functioning of the economic mechanisms of the second stage of the reform.

The Politburo stated that, in conducting work with managerial cadres, the party closely combines trust with a systematic and reliable assessment of attitudes and work performance, and independence and the right to take risks with responsibility for the results that are obtained.

A better trained cadre will be possible thanks to an expansion of the social base for cadre selection and to appropriate work with the cadre reserve. Self-management bodies have an important role to play—it is the broadest form of joint participation by working people in the management of the economy and public life. Self-management aktivs are a cadre back-up for managerial posts in the state and economic administration.

The Politburo continued its assessment of Polish foreign policy and economic cooperation with foreign countries. It examined key tasks in both spheres.

In foreign policy, last year brought a rise in Poland's prestige and international position. It was a year of more energetic international contacts, efforts to eliminate the last vestiges of discrimination, and further Polish initiatives that serve as our contribution to European and world dialogue. The Politburo stressed that a major role was played by the plan to reduce armaments and increase confidence in central Europe, this plan having a major chance of becoming a key factor in perpetuating detente and security in Europe.

The implementation of these aims was encouraged by the activity of the party and government in implementing the 10th PZPR Congress program, reforming the economy, and democratizing sociopolitical life.

The Politburo pointed out that cooperation with the USSR and other socialist states reached a high level, and that this cooperation was inspired by the bilateral and multilateral top-level meetings.

On the international front, the PZPR concentrated heavily on an effective exchange of experience in socialist construction.

The development of contacts with the CPSU was particularly dynamic. The "Declaration on Ideological, Scientific, and Cultural Cooperation Between the PZPR and CPSU," signed by both leaders, is of major importance for the development of this cooperation.

The Politburo provided a positive assessment of PZPR contacts with communist and workers' parties in the developed capitalist countries, and with communist and progressive parties and national liberation movements in the developing countries.

Guided by the resolutions of the 10th Congress and by the international situation, the Politburo discussed the complex tasks of 1988 foreign policy and the planned development of international contacts between social forces.

It stressed that 1988 should see favorable changes in international relations as a result of the Soviet-American meeting. This presents better external conditions for the reform of socioeconomic life in Poland and for Poland's efforts for peace, security, and the development of world cooperation. These will be expressed by means of an energetic promotion and implementation of the Jaruzelski Plan.

The Politburo indicated the need to considerably expand the comprehensive relations with the USSR and other socialist countries and improve the political and economic mechanisms governing Warsaw Pact and CEMA cooperation. Concerning relations with the fraternal countries, interparty cooperation and richer forms of this will be of particular importance.

In pursuance of the principle of equality, noninterference, and mutual advantage, Poland will unchangingly seek to expand political dialogue and economic and cultural-scientific cooperation with the capitalist countries, constantly calling for an end to existing signs of economic and financial discrimination and condemning the various forms of propaganda subversion.

The Politburo stressed the need to revive contacts, especially economic ones, with the developing countries and seek new, effective, and mutually advantageous forms of cooperation.

It said that, at a time of expanding international contacts, there is a growing significance in and need for a foreign policy that possesses a social dimension; extragovernmental contacts with foreign countries; and cooperation between parties, parliaments, social organizations, and scientific and artistic associations.

The Politburo indicated the importance of expanding the Sejm's foreign activity. The 1988 Warsaw conference of heads of parliament from Europe, the United States, and Canada will be of major importance for parliamentary contacts.

It is essential to step up efforts to paint a favorable picture of Poland abroad and increase the activity of the scientific base of foreign policy.

In pursuance of the stance of the Central Commission of Joint Activity Between the PZPR, ZSL, and SD, subscribed to by the remaining signatories of the PRON founding declaration, the Politburo approved the complex international activity tasks in 1988, stressing the importance of consolidating Poland's position in international economic cooperation during the second stage of the economic reform.

The session stressed that the pro-export policy continues to develop favorably as attested to by last year's results.

Planned trade with the first and second payment areas was overfulfilled, and export increases in constant prices exceeded the index of increases in production and national income. This was a result of employing the economic-fiscal system that stimulates export production. Although this system continues to confirm the correctness of directive solutions, the progress we have made is still insufficient.

The shortage of imported goods for the national economy is continuing, and the extent to which Poland's debts can be serviced is restricted. Cooperation with foreign countries is not enough to raise the effectiveness of our economic management and to increase the national income. Poland's position in the international division of production is out of tune with its actual production potential.

The Politburo issued instructions to accelerate the pro-export capacity of the economy, which should become more open to foreign cooperation. This calls for improved institutional solutions and for simplified legal regulations in line with the implementation program for the second stage of the reform. These changes should boost enterprises' interest in export production and create better conditions for foreign partners.

In 1987 conditions were created for normalizing Poland's fiscal relations with creditor countries. This is a result of accords signed with the commercial banks and states that are members of the Paris Club. This is also a result of intensified cooperation with the IMF and the World Bank.

All the same, the external conditions of this year's economic and trade cooperation with foreign countries will be difficult. We are disturbed by increasing protectionist tendencies and by the creditors' insufficient commitment to searching for long-term constructive ways of solving the problem of our debts.

The most important tasks in cooperation with the socialist countries include increasing trade, tightening economic and scientific-technological links, developing new forms of cooperation in these areas, accelerating CEMA integration, and improving the coordination of plans as the basic tool of realizing these tasks.

The Politburo stressed that the 1988 implementation of the changes in the system of coordination of plans should improve this coordination.

The Politburo evaluated joint economic measures undertaken with CEMA countries and stressed the special importance of the realization of the decisions of the 43d CEMA session on structural changes in the mechanisms of socialist integration. The Polish delegations in CEMA were instructed to militate for these changes.

In-depth analyses of trends in world trade are necessary in order to identify possible changes that may affect Polish foreign trade.

Efforts to increase the scale and variety of economic cooperation with foreign countries and to improve Poland's position in the international division of production should go hand in hand with efforts to obtain increasing social support for the urgency of export production and to foster one's appreciation of the benefits of export for the country and society.

The Politburo noted that this is one of the present important duties for party organizations and echelons, which should be among the sponsors who stimulate export and the necessary changes in the pattern of production, whose quality must be improved.

The Politburo was informed about countrywide control checks on the performance of the communal services, especially of the administration of apartments.

These checks uncovered many irregularities caused by bad work organization, bad discipline, and poor supervision. The control teams estimate that a large part of these irregularities can be eliminated without any extra expenditure.

People responsible for these irregularities were taken to account and were punished by fines.

The Politburo stressed that the findings of the control teams must be immediately utilized in order to streamline the performance of apartment administrations, local administrative bodies, housing cooperatives, and the voivodship unions of these cooperatives.

## Industrial Output With Soviets Noted

*AU011332 Warsaw TRYBUNA LUDU in Polish 28 Jan 88 p 1, 6*

[Tomasz Miecik report: "The First Polish-Soviet Products Are Ready"]

[Text] Although the Polish-Soviet program of scientific-technological cooperation is labeled "long-term", the two sides are sparing no efforts to shorten the time one must wait for the results of cooperation between scholars, engineers, and workers. These efforts have already yielded the first fruits.

In such an important sphere for both country's progress as electronics, the two countries have developed multi-channel power sources for electronic digital machines and professional microcomputers, and have mastered new technologies involving the production of sub-components. As far as automation is concerned, they have developed automated moving gantries and manipulators for the assembly of trucks (of up to 3 tonnes), electro-magnetic clutches, and so on. In the sphere of fuels and energy, they have introduced an automatic control system for use in the process of enriching the properties of coal (involving microprocessor technology). Of course, those commodities that will actually appear on the market are attracting the greatest amount of interest. In the agricultural-food complex, new varieties of potato have been developed. Not only do they have a better flavor, but they are also more immune to viruses. Work on a refrigerator-freezer with a capacity of not less than 270 cubic decimeters and an electronic control system is almost finished. Joint work on a new generation television set is also at an advanced stage. Some of the components for the new set are already inside sets that are currently on the market.

Cooperation in medicine, in biological-medical science to be more exact, is also developing favorably. Polish and Soviet scientists have already held the first joint tests on an artificial heart. The prototype of a dialyzer, to clean blood, has also passed clinical tests.

Not everything is proceeding as smoothly as this, of course. During the signing of the protocol at the 28th session of the Permanent Polish-Soviet Subcommittee for Scientific-Technological Cooperation in Warsaw yesterday, neither M.G. Kruglov, deputy chairman of the USSR State Committee for Science and Technology, nor K. Tott, head of the Office of Scientific-Technological Progress and Invention, concealed the fact that settling the accounts creates many difficulties because of the rates of exchange. In other words, technology has formulated the objectives of cooperation and the ways of reaching them, but economics is causing delays in this sphere. A frequent cause of trouble is an absence of decisions by supervising bodies concerning the practical implementation of the results of research.

Decisions concerning investments are the most difficult to make. At yesterday's press conference at the Office of Scientific-Technological Progress and Invention, there was much talk about the fate of the new delivery vehicle. The construction of this vehicle is proceeding without any difficulty. However, the trouble starts when it becomes necessary to make decisions about major investments. In any case, the construction of a plant to manufacture the parts for this vehicle, at Kirovaka in the Azerbaijan SSR, is proceeding smoothly.

Some of the obstacles to cooperation are being removed by introducing new forms, such as direct contacts between scientific research premises. Such contacts are already enjoyed by 105 Polish and 109 Soviet institutions. An increasing number of joint research and construction teams is being formed as a result.

As a result of this cooperation, there will soon be a start on the manufacture of jointly-developed self-propelled cranes. Equipment for diagnosing faults in vehicles, steel for use in transformers, material for the manufacture of fire-resistant cable, and methods of improving the quality of fur for fur coats have also been developed.

When asked by journalists what could be expected in the immediate future as a result of this cooperation, the reply was that one could expect electromagnetic clutches for lathes, plus refrigerators, washing machines, and freezers controlled by microprocessors.

There will be more products like these if cooperation undergoes a further improvement. The Polish and Soviet delegations taking part in the session said that if more production plants in both countries are included in the cooperation process, cooperation will go further than just research establishments or design offices.

## Aircraft Agreement Signed With Soviets

*LD291734 Warsaw Domestic Service in Polish 1600 GMT 29 Jan 88*

[Text] A agreement was signed in Warsaw today between the governments of Poland and the Soviet Union on cooperation in the production of the wide bodied IL-96-300 aircraft. Three of our aircraft industry enterprises, including the Communications Equipment Plant [WSK] in Mielec, will produce parts for the aircraft, which is to be assembled in Voronezh.

The aircraft is planned to come into service on Soviet lines in 2 years' time and on ours, in 1992. The IL-96-300 aircraft will probably service Polish Air Lines' transatlantic routes. The plane will be able to carry more than 230 passengers.

## U.S. Deputy Secretary of State Continues Visit

### Signs Travel Agreement

*LD011344 Warsaw Domestic Service in Polish 1300 GMT 1 Feb 88*

[Text] John Whitehead, the U.S. assistant secretary of state who is visiting Warsaw, held talks with Deputy Foreign Minister Tadeusz Olechowski. They signed an air travel agreement between Poland and the United States.

### Meets With Officials

*LD012302 Warsaw PAP in English 2026 GMT 1 Feb 88*

[Text] Warsaw, Feb 1—Monday was the first day of talks held here today by U.S. Deputy Secretary of State John C. Whitehead, now on a visit to this country.

The plenary talks were chaired by Polish Foreign Vice-Minister Tadeusz Olechowski and the U.S. deputy secretary of state. The two sides presented the assessments of the to-date course of the process of normalization and improvement of mutual relations. They expressed satisfaction that despite the prevailing differences progress has been achieved in the resumed political dialogue on the state level. The two discussed a scenario of further cooperation between the two states. The Polish side stressed the necessity to boost economic, financial and credit cooperation which constituted the substance of bilateral relations.

They also assessed main problems of the international situation in the light of the Washington Gorbachev-Reagan meeting, and presented issues resulting from the hitherto state of the discussion on the Jaruzelski plan.

Tadeusz Olechowski and John C. Whitehead signed an agreement on the civil air transport.

At the end of the talks held at the Foreign Ministry, the U.S. deputy secretary of state was received by Minister of Foreign Affairs Marian Orzechowski. The two expressed their will to continue and develop relations between Poland and the U.S. John C. Whitehead conveyed to Marian Orzechowski an invitation from Secretary of State George Shultz to pay a visit to the U.S. The invitation was received with satisfaction.

Also today, John C. Whitehead was received by Political Bureau Member and PUWP CC Secretary Jozef Czyrek. The talk focused on the chosen aspects of bilateral relations between Poland and the U.S. and international situation. Jozef Czyrek informed the U.S. deputy secretary of state about key problems of Poland's socio-political development.

John C. Whitehead also met with Finance Minister Bazyli Samojlik. The two discussed bilateral financial and credit relations and cooperation of the two states within international financial organizations.

In his statement for the press, U.S. Deputy Secretary of State John C. Whitehead spoke about the U.S. Administration's decision to grant 10 million dollars worth of assistance to individual farmers in Poland.

## Leaders' Public Appearances 20-26 Jan

AU291155 [Editorial Report] Warsaw TRYBUNA LUDU in Polish monitored from 21 through 27 January reports the following public appearances of Polish leaders (date and page number given in parentheses):

Politburo Member Zygmunt Muranski and Politburo Candidate Member Manfred Gorywoda attended a discussion coal at the "Barbara Chorzow" coalmine (date not given). (21 Jan p 2)

Politburo Member Kazimierz Barcikowski received Polish Ambassador in Finland Henryk Burczyk on 25 January. (26 Jan p 2)

Jozef Czyrek, Politburo member and Central Committee secretary, received Tunisian Ambassador Ahmed Kallal and Nicaraguan Ambassador Fanor Antonio Herrera Perez (date not given); (22 Jan p 2) on 22 January he received Swedish Ambassador Jean-Christoph Oberg. (23-24 Jan p 2)

Politburo Member Marian Orzechowski received departing Bulgarian Ambassador Ivan Prumov and the New Zaire Ambassador Ipoto Eyebu Bakandasi on 20 January. (21 Jan p 5)

Politburo Member Mieczyslaw Rakowski attended a 21 January function to celebrate the 30th anniversary of the PRASA-KSIAZKA-RUCH publishing agency. (22 Jan p 2)

Politburo Candidate Member Gabriela Rembisz attended a Poznan party meeting on the economic reform (date not given). (23-24 Jan p 8)

Marian Wozniak, Politburo member and Central Committee secretary, received departing Bulgarian Ambassador Ivan Prumov on 20 January. (21 Jan p 5)

### Spain Protests 'Congratulations' to Ceausescu

*LD291718 Madrid in Spanish to Europe*
*1230 GMT 29 Jan 88*

[Text] Neither the king of Spain nor the queen of England have congratulated Romanian leader Nicolae Ceausescu, according to Spanish diplomatic sources in Madrid. Together with this denial, it has also been learned that the Spanish Foreign Ministry presented a verbal note of protest in Madrid following the appearance in an official Romanian newspaper of alleged congratulations to Ceausescu on the occasion of his 70th birthday. The alleged congratulations from the king of Spain were a doctored version of words spoken by King Juan Carlos 3 years ago during his official visit to Bucharest.

A few days ago, official British sources also protested to Romanian diplomats over a similar fabrication of alleged congratulations from Queen Elizabeth II.

### Use of Private Cars Banned as of 2 Feb

*AU011856 Bucharest Domestic Service in Romanian*
*1800 GMT 1 Feb 88*

[Text] The Traffic Department of the General Police Inspectorate announces: As a result of bad weather conditions—heavy snows, snow storms, sleet, and fog—in all the regions of the country, road conditions have deteriorated, making it difficult or impossible for traffic to move. Because of this and in order to make it easier for public transportation and vehicles that transport supplies to the people and to economic units, and in order to prevent blockage of public roads, as of 2 February 1988 the use of private cars is prohibited in all counties of the country, both within localities and between them, as well as in Bucharest Municipality and Ilfov Agricultural Sector.

### Comparison of Address on Ceausescu's Birthday

Bucharest SCINTEIA in Romanian on 26 January carries on pages 1 and 4 the "Congratulatory Message on Homage Addressed to Comrade Nicolae Ceausescu by the RCP Central Committee, the State Council, the Government of the SR of Romania, the Grand National Assembly, and the Socialist Democracy and Unity Front," presented by Constantin Dascalescu, member of the PEC of the RCP Central Committee and prime minister of the Government of the SR of Romania, at the "solemn homage-paying session devoted to Ceausescu's 70th birthday and more than 55 years of revolutionary activity," on 25 January in Bucharest. The SCINTEIA report has been compared with the Bucharest Domestic Service version published in the 27 January East Europe DAILY REPORT, pages 40-45, under the subhead "Address on 70th Birthday," revealing differences in the absence of applause notations in the press version and the following variations:

Page 40, column two, paragraph one, sentence one reads in SCINTEIA: ...[Text] Much beloved Comrade Nicolae... (confirming queried word "much")

Page 41, same paragraph, same sentence reads in SCINTEIA: ...always lead us toward the future with the same revolutionary clear-sightedness and daring, toward new and... (confirming first queried passage and replacing second queried word "self-denial" with "daring")

Page 41, column one, paragraph two, sentence one, reads in SCINTEIA: ...Beloved Comrade Nicolae Ceausescu, hero among the nation's heroes, fiery patriot and... (supplying indistinct words)

Page 41, same paragraph, from end of last sentence to beginning of paragraph three, first sentence, reads in SCINTEIA: ... golden dream, communism.

Much esteemed and beloved Comrade Nicolae Ceausescu, in celebrating you today, the Romanian nation is paying homage to everything it holds dear in its history and is reiterating the century-old determination to defend and assert its national being and to struggle untiringly for the country's well-being and happiness. Through the high homage paid to your personality, the whole nation is celebrating our glorious Communist Party and the socialist fatherland, whose ideals for independence and progress are so brilliantly embodied by you.

It is a great and profound truth—which our national history wrote down in its everlasting pages—that, from your earliest youth, you have firmly and boldly chosen the path of struggle for the cause of the many, for the country's sovereignty and independence, for the revolutionary changing... (deleting editorial notation and supplying indistinct passage)

Page 41, column one, paragraph three, first sentence, reads in SCINTEIA: ...great forefathers, and firm and fearless Communist... (confirming queried word "firm")

Page 41, column one, paragraph four, last sentence, reads in SCINTEIA: ...how to place the interests of the country and people and of the fatherland's independence... (supplying indistinct words)

Page 42, column one, paragraph one, last sentence, reads in SCINTEIA: ...which is extremely rich in revolutionary achievements... (confirming queried word "rich")

Page 42, column one, paragraph two, last sentence, reads in SCINTEIA: ... of you and by acting to pool all creative energies ... (supplying indistinct words)

Page 42, column two, paragraph one, penultimate sentence, reads in SCINTEIA: ...party with a clear orientation of wide scope ... (supplying indistinct words)

Page 43, column one, paragraph two, first sentence, reads in SCINTEIA: ...as a major long-term political and social ... (confirming queried word "long-term")

Page 43, column two, paragraph two, sentence two, reads in SCINTEIA: ...to developing the new features of our socialist ... (confirming queried words "new features")

Page 44, column one, paragraph two, first line, reads in SCINTEIA: ... The profoundly humane nature of your concept is most clearly emphasized by the fact that you have always proceeded from the truth that the supreme goal of the entire RCP policy and the very essence of the comprehensively developed socialist society is man and the full satisfaction of his material and intellectual requirements.

We assure you ... (supplying indistinct passage)

Page 44, column two, paragraph one, sentence one, reads in SCINTEIA: ... lowest possible level of armaments have enjoyed a ... (supplying indistinct words)

Page 44, same paragraph, from end of last sentence to paragraph two, first sentence, reads in SCINTEIA: ... a profound humanism.

From the wealth of ideas that is characteristic of your work and activity, particular importance devolves on strengthening the solidarity and unity of the struggle of the peoples and progressive forces ... (supplying indistinct passage)

Page 45, column one, paragraph three, sentence one, reads in SCINTEIA: ... our socialist revolution, to unflinchingly follow your exhortations and guidelines, and to work with ... (supplying additional words "unflinchingly follow your exhortations and guidelines, and")

**Historian Plenca Cited on Waldheim Case**
*LD021355 Belgrade TANJUG in English*
*2125 GMT 31 Jan 88*

[Text] Belgrade, January 31 (TANJUG)—In addition to documents about Kurt Waldheim's World-War-Two past to be published by West German weekly DER SPIEGEL tomorrow, there are other documents charging Waldheim, Dusan Plenca, 63, a Yugoslav historian, stated here today.

He personally has such documents in his possession, Plenca said, particularly giving mention to a document confirming that Kurt Waldheim was, behind being a quartermaster, also the orderly of Capt. Plume on Gen. Stahl's staff of "West Bosnia."

The facsimile of the telegram is to be published by DER SPIEGEL is an authentic one, Plenca claimed, and he himself found it. He personally has not given it to DER SPIEGEL, but, together with other photocopies of the other documents (160 in all), he put them at the disposal of Danko Vasovic, a journalist of the Belgrade daily VECERNJE NOVOSTI, and authorized him to use them.

Many facsimiles of the said documents were published in Norway and in Vasovic's book two months ago.

He needs another three to four months for putting this archive material in order so as to be in a position to relevantly assess the level of responsibility borne by Kurt Waldheim for his activity on the soil of Yugoslavia in World War Two, the Yugoslav historian said.

Also found in Yugoslavia's archives are other documents on Waldheim not yet known to the general public, he added.

DER SPIEGEL journalist has twice visited Plenca so far and had talks with him.

So far, Dusan Plenca has published seven books and about 400 studies, among which he singles out as the best known ones "International Problems of Yugoslavia in World War Two" and "Tito in the Eyes of the World."

He has twelve decorations, among which three international ones.

He has attended many international gatherings—such as the congresses of historians in Athens [words indistinct] (1959), in Milan (1961) and in Warsaw (1962) at which he spoke about Yugoslavia and its allies in World War Two as well as about genocide he has researched in particular.

Plenca was born in the seaport of Sibenik, middle Adriatic coast. Entered the People's Liberation Army in 1941 when seventeen and is the bearer of the medal of service in partisan forces.

He became a master at the Belgrade faculty of liberal arts, Department for History and Philosophy, in 1963.

**'Difficult Living Conditions' of Romanians**
*AU311705 Belgrade BORBA in Serbo-Croatian*
*27 Jan 88 p 7*

[Report by Milovan Jaukovic, BORBA's special correspondent in Romania: "Tea for Two"]

[Text] Bucharest, Jan [dateline as published]—Yesterday, a great jubilee was solemnly celebrated in Romania—the 70th birthday of President Nicolae Ceausescu. According to the entire Romanian press, this was an opportunity to "stress the epochal achievements in the construction of socialism in the 23-year old era of Nicolae Ceausescu."

For the so-called ordinary Romanian citizen, the celebratory mood was, however, spoiled by difficult living conditions: Teeth chatter in empty, semidark homes because of rigorous economizing on electricity and natural gas, and there is a chronic shortage of some basic foodstuffs. The sacrifices that are demanded of the population are justified by the country's need to pull itself out of its difficulties as quickly as possible and stand on its own two feet.

Since 1981, Romania has exported everything it could export, and thus managed to halve its debt of $12 billion. The policy of repaying debts at any cost—which has a very clearly defined aim, but not totally clear motives—has been proclaimed as the priority task and patriotic duty of every working person and citizen.

In the judgment of those who are well-informed about Romanian events, the economic strictures have been slackened somewhat in recent weeks. The supply of agricultural products, electricity, and natural gas has improved only slightly. This improvement coincides directly with events in Brasov, although in official circles this is categorically denied.

Bucharest's international airport, Otopeni, welcomes and sees off travelers in murky darkness and completely unheated halls. Light bulbs are put on only in some departments and in places where it is necessary for safe traffic.

Apart from in the most important main boulevards and avenues in Bucharest, street lighting is also nonexistent. At best, only every 10th street light is lit.

The drastic measures for saving electrical energy and natural gas were passed at the beginning of November when a State Council decree specified that a household in a three-room flat could use 35 kilowatts of electrical energy a month. Enough for a 40-watt bulb to be on several hours. The use of refrigerators, washing machines, or irons is out of the question and turning on heaters is strictly forbidden. A typical household can also

use 146 cubic meters of gas in the winter months. What this means is illustrated by the fact that in countries with a similar climate to Romania, the average family uses at least 1,000 cubic meters of gas.

For rural areas, these quantities are reduced by 20%. It was also ordered that the "unproductive use" of electricity and gas in enterprises be reduced by a third. Those who over-step the regulated quotas face fines, and some are threatened with their supply being cut off.

I indiscreetly peer through the windows of Bucharest buildings. In many flats more than one light bulb is on. Is this civil disobedience, or is there a quite normal reason for this, some everyday need? It is difficult to check. Even special inspectors who initially eagerly checked whether the nation was strictly adhering to the economy measures or not, now come to call less and less frequently. Because of the shared system of heating adopted throughout the country, the lack of natural gas hits particularly the inhabitants of large settlements who have been living in cold flats for months.

It is difficult to say whether such drastic economizing has produced results or not. Official figures do not exist, or at least are not published. However, it is known that in 1986, out of the total 74 billion kilowatts of electrical energy used, households used 6.4% and public lighting 0.1%. In the same period, households used 2.8 million cubic meters of gas out of the total of 38.8 million cubic meters.

Nevertheless, customers continue to sit in Bucharest restaurants in the semi-darkness, wrapped in fur coats and with fur hats on their heads. Cinema and theater performances take place in freezing auditoriums. The repertoire is made up exclusively of Romanian films and works; sometimes there is Shakespeare. At a time of sacrifice and the saving of every dollar, it is more than a luxury to spend even a dollar on authors' royalties. Television programs are also limited to a total of 2 hours a day. They are generally information programs or programs with propaganda-political content. Recently, the main spot has been taken up with a survey among workers. Various people, names, and titles of enterprises parade in front of television cameras.

Much of what is published in statistics, decrees, and announcements does not exist in real life. Warm water is not provided even from 0600 to 0800 or from 2000 to 2200. There is none even in "deluxe" hotels where guests' teeth chatter because of cold radiators, but one night costs $75 and is paid exclusively in foreign currency. Therefore, the most frequent order to "room service" is for the typical Romanian speciality of tea for two. In this case the guest receives two pitchers full of warm water with the corresponding amount of tea and sugar. One cup of tea is sufficient. The rest can be used in very practical ways.

## Mojsov, Krunic Send Greetings to Ceausescu

*AU291712 Belgrade BORBA in Serbo-Croatian 26 Jan 88 p 6*

[Unattributed report: "Greetings Sent by Mojsov and Krunic to Ceausescu"]

[Text] Belgrade—Lazar Mojsov, president of the SFRY Presidency, sent cordial greetings on behalf of the SFRY Presidency to Nicolae Ceausescu, president of the SR of Romania, on the occasion of his 70th birthday. The telegram also expresses satisfaction with the successful development of Yugoslav-Romanian cooperation and friendship.

Bosko Krunic, president of the LCY Central Committee Presidium, also sent a telegram with cordial greetings to the head of the Romanian state and party.

Milojko Drulovic, president of the SAWPY Federal Conference, has sent birthday greetings to Ceausescu, who is also chairman of the Socialist Democracy and Unity Front of Romania.

## Mamula Ends Official Visit to Ethiopia

*LD291136 Belgrade TANJUG Domestic Service in Serbo-Croatian 1103 GMT 29 Jan 88*

[Text] Addis Ababa, 29 Jan (TANJUG)—Admiral of the Fleet Branko Mamula, federal secretary for national defense, today ended an official and friendly 3-day visit to Ethiopia during that the two sides discussed the possibilities for extending military-industrial cooperation.

In the talks with President Mengistu Haile Mariam of Ethiopia and, with the highest-ranking military leaders of this nonaligned, friendly country, the traditionally good relations between Yugoslavia and Ethiopia and the need to develop and enrich them further and comprehensively was emphasized.

Branko Mamula also visited several Ethiopian military-industrial establishments. The federal secretary for national defense also met Yugoslav business representatives in Ethiopia who informed him about the possibilities for extending overall economic cooperation and trade between Yugoslavia and Ethiopia.

## Returns From Ethiopia

*LD291903 Belgrade TANJUG Domestic Service in Serbo-Croatian 1742 GMT 29 Jan 88*

[Text] Belgrade, 29 Jan (TANJUG)—Fleet Admiral Branko Mamula, federal secretary for national defense, and members of our country's army delegation returned to Belgrade today after a brief working visit with the armed forces of the People's Democratic Republic of

Ethiopia. During his stay in friendly, nonaligned Ethiopia, Admiral Mamula and the delegation were received by Mengistu Haile Mariam, president of Ethiopia, at whose invitation the visit took place.

On this occasion, some questions concerning the military-political situation were examined in an open and friendly meeting. Possibilities for the further promoting interarmy cooperation were emphasized. Admiral Mamula also had talks on the subject of military-economic cooperation with Major General Haile Giorgis Habte-Mariam, minister of defense, and visited a number of Ethiopian Armed Forces facilities.

At Batajnica airport, Admiral Mamula and the army delegation members were greeted by Colonel General Veljko Kadijevic, deputy federal secretary for national defense, Colonel Lieutenant General Anton Tus, and Rear Admiral Vjekoslav Culic.

The ceremony was also attended by Tesfaye Haile Mariam, councillor of the Ethiopian Embassy to the SFRY.

## Kosovo Polje Discusses Grievances of Serbs

*AU311852 Pristina RILINDJA in Albanian 27 Jan 88 p 4*

[R. Tahiri report: "A Normal Way of Solving Problems Exists"]

[Text] An assessment of the political and security situation in the 17th Local Community of Kosovo Polje was on the agenda of the meeting of the Kosovo Polje 17th Local Community LC Action Conference the evening before last. The meeting was attended by Petar Vojnic, chairman of the LCY Central Committee Presidency Commission for Complaints and Petitions; Zoran Andjelkovic, member of the Serbian LC Central Committee Presidency; Mitar Baljevic, president of the Kosovo Polje LC Regional Conference; Pavle Jovanovic, Nikola Saric, and Svetislav Jaksic, workers in the sociopolitical sphere.

After first remarking that some workers in the sociopolitical sphere at the provincial and communal level had been invited to this meeting but had not come, Zivojin Mitrovic stressed in his introductory speech that the Communists of this local community had been committed from the outset to punctually solving all current problems, with a special emphasis on stemming the emigration of Serbs and Montenegrins. However, emigration is continuing and the number of Serbs, Montenegrins, and, as he put it, all non-Albanians is further declining. They say that more than 4,000 persons have returned to Kosovo, but we have not seen a single family come back. The Albanian nationalists and separatists would accept everything, even a temporary halt to emigration, but they could never reconcile themselves to the return of Serbs and Montenegrins who have emigrated. Now the fires have died out in more than 400 Serbian and Montenegrin hearths in Kosovo Polje because of the cruel activity of the separatists, Zivojin Mitrovic said, among other things in his speech. According to him, the Kosovo Polje gatherings were not of a single nationality, as has been claimed, because Serbs and Montenegrins, Romany Gypsies, Croatians, Turks, and Moslems also took part in them. Only the Albanians did not take part, and so they marked themselves as the single nationality. These gatherings were always preceded by some kind of provocation on the part of Albanian nationalists and separatists, and so the assessment that they were organized by Solovic, Kecman, and Budimirovic is incomprehensible. Since the assessments state that these are not the only three who manipulated the masses, this means that a list exists of those Serbs and Montenegrins in Kosovo Polje who are responsible, with the aim of shutting their mouths. According to Mitrovic, the question of the responsibility of these three must be considered alongside and together with the responsibility of members of the Pristina LC Communal Committee. Otherwise, he said, the situation will deteriorate still further and emigration will be encouraged.

Removing Signs [subhead]

Zivojin Mitrovic, in his speech in the name of the Kosovo Polje 17th Local Community LC Action Conference Presidency, then said that the signs announcing the sale of houses in this locality must be taken down; a solution must be found to the problem of the "Stric" restaurant, which has been bought by an Albanian without paying heed to the custom of priority purchase, and which is opposed by all the local inhabitants. The question of the expropriated meadows in Bresje must be solved, and plans must be resolutely carried out in all areas to ensure the return of Serbs and Montenegrins who have emigrated, with the aim of reuniting every family by spring. Otherwise, he added, they would all emigrate.

In the debate, which continued until late in the evening and which involved 24 speakers, many problems were discussed from different viewpoints. The majority of speakers read their own speeches, and there were no harsh arguments, nor was there an abusive atmosphere.

Stanoje Milosevic, the first speaker, asked what the purpose of such meetings was and whether they were any use. Albanian separatists always smile and say, "Let the Serbs and Montenegrins discuss. We have done our job, and the end is in sight." Ratko Maksimovic said that if the so-called leaders are expelled without justification, all we honest Communists, Albanians and Serbs alike, will hand our party cards to the LCY Central Committee and will not accept them back until differentiation is carried out in the Pristina LC Communal Committee. First, he said, the conclusions of the Serbian LC Central Committee Eighth Plenum and the LCY Central Committee Ninth Plenum must be enforced. Ljubo Vujovic said that the enemy feels himself to be master of the

house, and not a guest, and that differentiation is proceeding very slowly. According to him, differentiation has gone further in Bosnia-Hercegovina and in Serbia than in Kosovo. Sreten Martinovic said that the Yugoslav program for Kosovo is still not well-known, and is not being carried out with the speed that Serbian and Montenegrin citizens wish. This speaker, mentioning the problem of the Albanian majority, which outvotes all the demands of Serbs and Montenegrins, advocated that all issues in Kosovo should be solved on the basis of parity and consensus. Jordan Milic spoke about the various kinds of damage done by his neighbors and demanded that the commune should either buy his property or enable him to sell it. Dobrivoje Cvejic said that the local authorities had decided to build a wall around Jordan Milic's yard, and that this would be done soon.

Vlastimir Mitrovic stressed that there is a tendency to call Kosovo Polje a cradle of Serbian and Montenegrin nationalism. The so-called leaders acted from nationalist positions and in opposition to the LCY line. During the last 2 or 3 years, the population of Kosovo Polje had become more aware and had roused itself from apathy. Many Albanian, Serbian, and Montenegrin cadres are behaving in a two-faced and opportunistic way.

Svetislav Jaksic said that this meeting is important for the LCY Central Committee and the Serbian LC Central Committee, since representatives of these bodies are taking part. However, nobody from the Pristina LC Communal Committee and the Kosovo LC Provincial Committee is taking part, which means this is a debate with the deaf. If the situation were normal, not a single Serb or Montenegrin would have emigrated, or would do so now.

Two Problems Being Solved Slowly [subhead]

Liljana Bojkovic said that there are two problems that are being solved only very slowly: those of emigration and of cooling and deteriorating intranational relations. Even though the three leaders are held responsible for organizing the women's gatherings, I never saw them at any of the gatherings, and they had nothing to do with them. These gatherings were organized because of Fadilj Hodza's statement, and if there had been a reply and explanation to this statement in time, matters would not have gone so far. Stanoje Milosevic claimed the floor a second time and stressed that we are compelled to talk about the so-called leaders, when they are not leaders and never have been. Stojan Ognjenovic demanded the complete differentiation of cadres, and that something should be said about the various local cadres who often argue among themselves. Zoran Mirkovic said that no attention was being paid to feelings at the lower levels, but the opinions of the Pristina LC Communal Committee and the Kosovo LC Provincial Committee were listened to. Milivoje Papovic said that at our meetings we accuse people of various specific abuses, but no measures are taken against them, and the results of this weigh upon those people who argue such cases. Ljubica Dekic mentioned cases of attempted rape and damage to graveyards. Zivorad Mitrovic said that there are no leaders who could organize such large masses of people and manipulate them. Miodrag Samardzic said that Fadilj Hodza's slogan about keeping cadres intact is being carried out, and that complete differentiation is not being pursued. Dusan Vojinic said that determined action is necessary on the part of all the republics and provinces to stabilize the situation. Vule Nikcevic said that Albanians that no Albanian village would want are coming to live as neighbors to Serbs and Montenegrins. Zoran Grujic said that people are not emigrating because of assaults, but because of oppression. Novica Mirkovic also spoke about the supposed dominance of the Albanians, who are elected to all leading positions. Mitar Bajevic, president of the Kosovo Polje LC Regional Conference, said that he was authorized to report that Ragip Halili was unable to come to the meeting.

Immediately after the LCY Central Committee Ninth Plenum about Kosovo, he said, several excesses occurred that blocked our efforts. Then came a period of renewed trust in the LCY, and now, he said, we are back where we were before the plenum.

Petar Vujnic, chairman of the LCY Central Committee for Complaints and Petitions, said that the failure of communal and provincial leaders to take part in the meeting was unacceptable. He was aware that the situation is not improving as it should and as we expected. It is also well known that the problems cannot be solved fast. As far as our meetings are concerned, we must be careful in our judgments, and avoid vague allegations and assessments that do not befit Communists. There is a normal way to solve every problem, and we cannot oppose an entire LC communal committee, although we may have reservations about some of its members. Nobody has described the gatherings of Serbs and Montenegrins as nationalist. The question is a different one, whether this is a good method or not. It is better to solve every problem through organized and regular meetings. Zoran Andjelkovic, member of the Serbian LC Central Committee Presidency, said there is no dispute about what we should do, and how. Total unity has been reached on this. There must be no delay in solving the problems in Kosovo, and the republican organs are following the situation carefully and taking steps. Pavle Jovanovic advocated a complete differentiation of cadres, mentioning in this context the speech of Sanije Veseli at the Serbian LC Central Committee meeting and an article by the correspondent of VJESNIK.

It was decided at the end that the meeting should compile conclusions and send them to party bodies in the commune, the province, the republic, and the federation, informing them about the situation here.

**Administrative Organs To Be Reorganized**
*LD311548 Belgrade TANJUG Domestic Service in Serbo-Croatian 1235 GMT 31 Jan 88*

[Text] Skopje, 31 Jan (TANJUG)—According to the latest proposal of the republican (?executive council),

Macedonia is faced with the rationalization of, and reduction in, administrative organs.

Five republican committees will have their functions abolished or merged so that, if this proposal is approved, only eight committees will remain. The republican Committee for Information and Committee for Legislation and Organization will be abolished completely. They will be transformed into independent departments of the republican Executive Council.

On the other hand, the committees for Agriculture, Forestry, and Water Management, and for Science, Technological Development, and Information retain their functions in their entirety. The others are being merged on the basis of related activities into committees with new names and a broader (?sphere of operation). (?Nothing) is changed in the existence of the present five secretariats, except that the Secretariat for General Economic Affairs and Markets will also have, within its sphere, small businesses and tourism.

This proposal, which delegates of the Macedonian Assembly will also discuss shortly, also envisages a reduction in the number of employees in administrative organs, of which there are 1,700, not counting the Secretariats for National Defense and Internal Affairs. This proposal for rationalization, the third in the last 6 years, should finally make a contribution to the real rationalization of administrative organs. These measures must also be (?applied) to the administrative organs in the municipalities. In Macedonia, there are 35 in which significant successes in reorganizing and reducing the number of employees (?should also be implemented).

## Accomplices in Barrack's Killings Sentenced

*AU011511 Pristina RILINDJA in Albanian 29 Jan 88 p 6*

[H. Syla report: "The Deserved Punishment for What They Did"]

[Excerpts] Nis, 28 Jan—The bench of five at Nis Military Court, headed by Veljko Milic, pronounced its verdict today after a 12-day trial and meted out a deserved punishment to eight soldiers accused of collaboration in the crime in the "Branko Krsmanovic" barracks at Paracin. Seven of the accused were charged with aiding and abetting this serious and monstrous crime, and one of not reporting the preparations for the murders. The eight were sentenced to a total of 67 years imprisonment. The bench explained that the guilt of the accused had been entirely proved and that the length of their sentences had been determined according to the seriousness of their crimes and their individual responsibilities.

The bench sentenced the first accused, Rizah Gjakli, to 15 years imprisonment; Abdylxhemil Alimani to 14 years; Afrim Mehmeti to 10 years; Pajazit Aliu to 10 years; Shefqet Pacarizi to 5 years; Enver Behluli to 4 years; Rizah Alibashiq to 7 years; and Islam Mahmuti to 2 years. [passage omitted]

Colonel Veljko Milic, the presiding judge, described once again how Rizah Gjakli, Abdylxhemil Alimani, Afrim Mehmeti, Pajazit Aliu, Shefqet Pacarizi, and Enver Behluli gathered on the basketball court of the Paracin barracks at about 1900 on 2 September last year, where Aziz Kelmendi, soldier at Military Post No 7518, told them that he would kill the soldiers of Military Post No 5313 at Paracin, and sought their help. They agreed to help because they knew that Aziz had earlier in their presence expressed hatred of other peoples and nationalities from a position of Albanian nationalism and separatism. Afrim Mehmeti told Aziz that he could obtain 10 bullets from the cupboard in the barracks corridor, while Rizah Gjakli, whom Aziz had earlier informed of his intentions, said that he had come to an understanding with Rizah Alibashiq, the guard commander, to secure the necessary ammunition. The sixth accused, Enver Bahluli, brought the gun from the guard post, and Pajazit Aliu taught Aziz how to use it. Abdylxhemil Alimani, the second accused, joined Enver Behluli in telling Aziz that they would allow him to escape after the crime. On the critical night, these two were on sentry duty. On the same night, Aziz Kelmendi once again declared in the barrack corridor, in the presence of the accused, that he intended to kill the soldiers of Military Post No 5313, and as arranged woke Rizah Gjakli, Afrim Mehmeti, Shefqet Pacarizi, and Pajazit Aliu, while Rizah woke Islam Mahmuti. Afrim Mehmeti and Shefqet Pacarizi then went to the highway to see when Aziz's father would arrive, and then to report to the others.

After these conversations, the cruel murderer returned to the barracks, and broke into the metal cupboard, taking 10 bullets. He also took an automatic rifle, and went to Abdylxhemil at sentry post No 1, where he took a cartridge with about 30 bullets. He subsequently went to Rizah Alibashiq, the guard commander, and at about 03:00 obtained two cartridges with about 30 bullets. He then went to the barracks and in room No 42 emptied the fatal shots, killing the soldiers Safet Dudakovic, Srdjan Simic, and Goran Begic in their sleep, and wounding Ante Jazic and Nedzip Mehmedovic. At once he entered room No 42 [as published] and there too opened fire, killing Hasim Djanaovic, and wounding Andrej Preserni, Petar Djekic, and Huso Kovacevic. After the monstrous crime, Aziz returned to Abdylxhemil and asked whether his father had arrived. On learning that he had not, he left the barracks area and killed himself with a bullet in nearby woods. [passage omitted]

## Man Sentenced to 6 Years for Terrorism

*LD020059 Belgrade TANJUG in English 2149 GMT 1 Feb 88*

[Text] Zagreb, Feb 1 (TANJUG)—The district court in Zagreb, Republic of Croatia, today sentenced Juraj

Pilko, 30, to six years' imprisonment for hostile and terrorist activities against Yugoslavia.

After a four-day hearing, the court established beyond doubt that Pilko was involved with an Ustasha terrorist organization in the Federal Republic of Germany from April to September 1987, and that during that time he was directly engaged in activities aimed at undermining Yugoslavia's constitutional system.

Pilko had earlier been imprisoned for two years for similar activities.

The pro-fascist Ustasha organization set up the wartime quisling puppet "independent state of Croatia." In the postwar period, its remnants were organizing terrorist groups abroad with the aim of undermining the new Yugoslav state.

### Teachers on Strike in Jablanica

*LD012254 Belgrade TANJUG Domestic Service in Serbo-Croatian 1558 GMT 1 Feb 88*

[Text] Mostar, 1 Feb (TANJUG)—Schoolchildren in secondary vocation-orientated education are not attending school in Jablanica today. The unplanned extension of the winter holidays for 420 school children, divided into 19 sections of engineering, construction, and electrotechnical studies, is the consequence of a strike by teachers who decided as of today not to enter the classrooms. [Words indistinct] of education and with their own standard of living, which has gone down to a bare minimum. The average personal income in the secondary school center in Jablanica was 150,000 dinars last year, while a teacher with almost 20 years experience had a personal income last December of 200,000 dinars. At the same time, Jablanica teachers claim that they have successfully fulfilled all their allotted working and social tasks.

### Construction Workers Strike in Samobar

*LD282116 Belgrade TANJUG Domestic Service in Serbo-Croatian 2008 GMT 28 Jan 88*

[Text] Zagreb, 28 Jan (TANJUG)—Around 150 workers of the Visokogradnja construction organization stopped work at an apartment building site in Samobor because they have not been paid personal incomes for last December.

Today the workers' council of Visokogradnja decided that workers should receive their personal income and that a workers' assembly should be held on Friday. Visokogradnja employs around 450 workers, and its business in on "the edge of catastrophe."

## Briefs

### Serbian LC Presidium Member

Belgrade, 27 Jan (TANJUG)—In a secret vote, the Central Committee of the Serbian LC today elected Rados Smiljkovic member of the Presidium of the Serbian LC Central Committee. Out of 124 votes, 120 were for and 4 against Smiljkovic. Smiljkovic is also president of the Presidium of the Belgrade LC City Committee. [Summary] [*Belgrade TANJUG Domestic Service in Serbo-Croatian 2349 GMT 27 Jan 88 LD*]